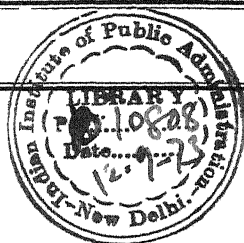


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## EDITORIAL

Planning and development have become almost a *cliche* in India. Paradoxically enough, municipal governments which provide the basic infrastructure at the level of the urban areas have virtually been left out of the ambit of planning. In various forums problems of rapid urbanisation and the gradual deterioration of civic administration have repeatedly been discussed. There is a general awareness that mounting urban problems need to be tackled urgently. In fact, the explosive situation in the Calcutta Metropolitan District has taught us the lesson that unless remedial steps are taken in time the situation in our urban areas is bound to get out of hand. The Third Five Year Plan realised the urgency of involving the municipal authorities in the formulation and implementation of the local urban plans and pleaded for the strengthening of municipal administration. To start with it was proposed that "as many towns and cities as possible and at any rate those with a population of one hundred thousand or more should come into the scheme of planning in an organic way, each city mobilising its own resources and helping to create the condition for a better living for its citizens". This was followed up by a circular letter from the Planning Commission in August, 1962 to all the State Governments suggesting the preparation of city development plans which should be brought within the framework of the State plans. In very few cases, however, attempts were made to achieve this objective and mostly, the idea of city development plan floundered on the rock of general State apathy to support the municipal plans. Paucity of finance is often a handy alibi for inactivity. The importance of financial resources is not being minimised; but, what often stands in the way is the absence of a progressive attitude to take local planning seriously. The objectives and the techniques of planning are also not always available. Thus lack of knowledge itself, not infrequently stands in the way. The long-buried idea of city development plan was sought to be revived in a recently organised seminar in the Indian Institute of Public Administration on "Local Authority Policy Planning" in collaboration with the Institute of Local Government Studies, University of Birmingham, England. The seminar examined in details the scope and contents of a city development plan, the techniques and analytical tools necessary for the preparation of such a plan and the organisational requirements to support it. There was a feeling that the urban situation in our municipal areas was deteriorating day by day and

it might be fatal to sit back passively. The Fifth Five Year Plan is now in the process of preparation. It is expected that fresh thinking would be given to the formulation and implementation of city development plans as a integral part of the respective State plans. Our municipal governments have always been considered as mere maintenance agencies, but a time has come when this static attitude needs to be replaced by a kind of bold adventurism. The hard truth is that municipal governments have got to be involved in local area planning and development, as no one else can undertake these tasks. And the sooner this is done the better for us.

—EDITOR

# MUNICIPAL PROPERTY TAXATION AND URBAN DEVELOPMENT

The federal structure of India consists of three tiers of government—Central, State and Local, with a strong tendency toward centralisation of revenue resources. The Central taxes on urban property consists of wealth tax, gift tax, estate duty and income tax. These taxes are broad-based, and urban land and property is one of the various items they cover. The State Governments invariably impose a small stamp duty on the registration of transfer of properties but do not generally levy any tax on urban land and properties as such. Nevertheless, there are a few departures from this general rule. Thus in the States of Punjab, Haryana, Jammu and Kashmir, a State tax on land and buildings is levied in notified urban areas at the rate of 10 per cent of the annual rental value after allowing 10 per cent deduction for repairs, maintenance, etc. The State of Madhya Pradesh levies an urban property tax in urban areas which has a population of 10,000 or above. The Government of Tamil Nadu levies an annual tax on urban lands at the rate of 0.4 per cent of the market value of urban land. In Andhra Pradesh, a State surcharge on municipal property tax is levied by Hyderabad-Secundrabad and other municipalities with a population of over 15,000.

By far the more universal and important tax on urban land and property is one levied by the urban local authorities. The tax is popularly known as “house tax” and sometimes the “general rate”. It is levied in all the State though some of the municipalities within a State might not be utilising it. The rates of tax vary from State to State and from municipality to municipality within the same State. The system of taxation is generally uniform except in very rare cases where, as in Delhi and Lucknow, the tax is levied on a progressive rate on a slab system. In Delhi the rates vary from 10 per cent to 22 per cent in different slabs. For commercial property,

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the rates for corresponding slabs are still higher. Unoccupied buildings and vacant lands are not subject to municipal property tax because they do not yield any annual rent or income. The only exception to this statement is provided by Delhi and Madras where the respective municipal corporations do levy a tax on vacant land.

The basis of assessment of the municipal property tax is annual rental value. Though the municipal Acts define annual rental value to be equivalent to the rent at which property may reasonably be expected to be let from year to year, yet in actual practice the assessment is based on actual rent which is in most cases difficult to ascertain. In the case of rent-control properties whose rents were fixed several years ago and which, therefore, are far below the prevailing rent level, the assessment has to be based on statutory, controlled rent.

The existing data on taxation of urban lands and buildings though available from 1950-51 onwards are incomplete and sketchy and do not give a clear picture. It is only from 1960-61 onwards that all-India estimates of aggregate property tax collection are available. Table I gives the tax revenues of urban local bodies from lands and buildings during the years 1960-61 to 1967-68.

The financial importance of this tax can be assessed from the fact that the income derived from it accounted for more than one-half of the aggregate tax revenue of the municipalities. However, the importance of this tax as a source of revenue varies with the size of the urban areas. It constituted over two-third of the tax revenue of municipal corporations, nearly one-half of the assessment of the other cities with over 1 lakh population, two-fifth in town of population range of 50,000 to 100,000 and one-third in towns of 20,000 to 50,000 persons. This is, of course, due to the fact that the corporation areas are better developed and tax rates are also much higher than in smaller cities and towns.

**Table I**  
**Tax Revenue Receipts of Urban Local Bodies from Property Taxation, 1960-61 to 1967-68**

<i>Year</i>	<i>Tax Revenue (rupees crores)</i>	<i>Percentage in- crease over the previous period</i>
1960-61	24.88	—
1963-64	29.14	17.58
1964-65	34.61	18.87
1965-66	38.47	11.21
1966-67	43.73	13.6
1967-68	47.45	8.5

SOURCES: (1) Report of the Committee on Augmentation of Financial Resources of Urban Local Bodies, Ministry of Health, November, 1963.

(2) Data collected from State Governments and Urban Local Bodies.

It would be seen from Table I that the property tax yields have almost doubled up during the period. But one should not lose sight of the fact during this period apart from the general increase in price level in land values which had also gone up by nearly 75 per cent, the land prices has gone manifold and property tax yields have apparently failed in the past years to rise sufficiently to meet the expanding needs of urban local bodies for urban development.

One would, of course, like to know the extent to which this upsurge in land values has matched the tax collection. On one hand assessments, even if made perfectly, should be expected to rise less than the land values because of the contractual nature of the rent on which taxation is based. On the other hand, land was more intensively developed during 1960-61 and 1967-68 in all the cities—a factor which would have enlarged the property tax irrespective of prices. There are hardly any data available which enable one to disentangle these changes. No statistics are generally available which could-

make aggregate assessment of collections into those arising from business vs. residential property; land vs. houses; new vs. old properties or any other details.

Per capita property tax yields show similar disparities as are evident in total tax collections. In 1962-63 the per capita collection of property tax including service taxes was Rs. 35 in Bombay, Rs. 15 in Madras, Rs. 9.5 in Nagpur, Rs. 8.00 in Delhi and Rs. 5.00 in Hyderabad. The amounts were below Rs. 10.00 per capita in most of the municipalities. In view of the wide variations in property taxation observed as between various urban local bodies, a few questions immediately crop up as to whether (i) a more effective property taxation system is really feasible or not; and (ii) the property taxes can be turned into a more dynamic source of revenue for financing urban development particularly when the land prices have shown a tremendous upsurge.

It deserves to be stated in this connection that municipal property taxes are administered by the municipalities themselves. It is they who make assessment of annual value, hear and decide appeals against assessments, issue tax notices and collect the tax amount due. The administration of this tax is, incidentally, the weakest point in the financial administration of the urban local bodies. For want of proper machinery for assessment and collection of taxes, most municipalities do not have either satisfactory assessments or adequate collection. In quite a few States a large number of municipalities do not, in fact, levy a property tax. For example in 1960-61, 83 per cent of the municipalities in Rajasthan, 43 per cent in Uttar Pradesh, 38 per cent in Punjab, 35 per cent in Gujarat and 18 per cent in Madhya Pradesh were found to be not levying a property tax. Further, even though the municipal Acts require periodical reassessments to be made, such reassessment remains in default for several years. As regards the collection of the tax, the situation is no better.

From the foregoing paragraphs it would be seen that the present system of

municipal property taxation is weak in all regards—rates, basis, assessment procedures, valuations, collection and administration. This statement is all the more corroborated by the fact that the assessment are only 60 per cent of the current value and only two-third of the ordinary type (as imposed) are actually collected. But since municipal bodies would have to bank primarily on property taxes as they satisfy the maximum canons and criteria of taxation—they are equitable, yield is stable, tax base strictly local and administration simple and economical, it is not in their present form that they would be expected to continue. The system of municipal property taxation would require substantial improvements so far as basis of assessment and overall administration is concerned. More than this, efforts will also have to be made to so broaden and widen the municipal property tax that it will not only effectively mop up unearned increase in values of urban land and properties, but also become a lucrative source for financing urban development.

The essential pre-condition for any reform of the urban property tax is an overhauling of the administrative machinery for assessment and collection. It would be futile and inequitable to impose higher tax rates, change the tax base, or add new kinds of taxes on property, unless better enforcement is assured. Proper assessment and collection by itself would lead to substantial increases in revenues. Practically all experts seem to agree that permanent and politically independent assessment agencies must be created by the States, which would be responsible for the assessment at the local level. Possibly, the Central Government could give same technical assistance in the development of an administrative set-up and in the training of assessors. At the moment, the shortage of qualified assessors is frequently cited as one reason for the poor assessment performance. The three States (Andhra, Maharashtra, and Rajasthan) which have initiated, or are considering steps in the direction of creating an independent assessment agency

may in the not too distant future welcome some assistance.

The work of property tax collection is greatly facilitated if there are adequate penalties for non-payment. Most important, it is necessary that municipal bodies be given adequate legal powers to proceed against tax payers with large and persistent arrears. Sanctions against defaulters might include removal of household goods, sale of the property or imprisonment. Secondly, a high interest rate should be charged on arrears; and perhaps a small rebate might be given for prompt payment. The Ford Foundation Team, which studied India's urban housing in 1965, was told that one city had phenomenal success in reducing delinquencies by raising the penalty interest rate from 6 to 12 per cent. The Zakaria Committee observes that collections are better in States like Kerala and Tamil Nadu where the collection staff is responsible to State officials and, therefore, can proceed with greater independence. The recommendation that the collection machinery be put under State administration is a logical corollary to the recommendation that the assessment machinery should be State administered.

Further, the property tax needs to be freed from the rent control provisions. Several court cases have established that the annual rateable value of a building under rent control is the controlled rent. Property tax receipts are thereby frozen, despite the fact that many landlords are known to collect under cover more than the controlled rent. If we assume that the rent is a payment for housing and the property tax is a payment for municipal services, there is no compelling reason as to why property taxes have to be frozen alongwith rents. As a matter of fact the freezing of property taxes deprives the urban local bodies of much needed funds required for municipal services and improvements. It follows that municipal bodies should be allowed to assess annual value on the basis of the current rental value which a property would have in a free market. If this were done, some

landlords probably would have to be allowed to pass a part of the increase in property taxes in the form of rent increase. Many tenants, no doubt, could afford these relatively small increments.

Undoubtedly, any modification of rent control to allow for gradual increases in property taxes would be unpopular and politically difficult. However, changes could be made in steps. One might start with properties which are coming under rent control for the first time now, or with properties renting at more than a certain amount, such as Rs. 35 or 40 per month. Or one might merely provide some dispensation for hardship cases, *i.e.*, low-income people whose rents would go up significantly.

Until assessment are shifted from an annual value to a capital value basis, a basis more desirable in principle and particularly when valuation of urban properties is going to be undertaken for ceilings on urban properties, vacant urban land should be subject to a special property tax. Some period after acquisition of vacant land, a penalty tax for non-use should also be imposed which rises sharply with the length of the time the property is being kept vacant.

The cities and towns which charge very low property tax rates need to raise these to the levels prevailing in the more highly taxed localities. The States could play a crucial role by setting adequate legal minimum rates.

Graduated property taxes seem to be working satisfactorily in a number of places, and their use could be extended within the existing legal framework. By shifting from a flat to a graduated rate, the burden of increase could be made to fall more heavily on owners of larger and more valuable properties.

Betterment levies and development charges should also be made to become a part of the property tax system in all municipalities and municipal corporations. Admittedly, these taxes are not easy to administer. However, some taxation of

unearned increments in property values is so obviously necessary and equitable that an attempt should be made to overcome the administrative difficulties. Probably

the Danish system of taxing periodic increments in assessed site valuations could be introduced, once a suitable assessment machinery has been created.



SOCIAL  
BACKGROUND  
OF  
MUNICIPAL  
COUNCILLORS  
IN  
TELANGANA

Under the Andhra Pradesh Municipalities Act 1965, the municipal councils have been charged with the responsibility of rendering a range of important civic services to the citizens. Since the elected civic leaders have an important role to play in running the municipal machinery, it needs to be inquired : what types of councillors are being attracted toward the municipal councils? This study aims at knowing the social status, educational attainments and economic position of those who are at the helm of affairs in the urban local bodies. It is proposed to test the following hypotheses :

- (1) The political leadership in urban local bodies is controlled by the upper classes of the society and, therefore, the lower classes do not have chance of attaining leadership.
- (2) Leadership in urban local bodies is mostly uneducated.
- (3) The political decision-makers in urban local bodies do not have sufficient previous experience of public office.

There are 24 municipalities in the Telangana region — one special grade, four second grade and eighteen third grade. The total number of councillors in these municipalities is 552 including 32 Aldermen. A questionnaire was administered to collect data relating to the socio-economic background of the councillors. The replies of the respondents to some questions such as income do not reveal actual facts. In the absence of any other method to assess their income, we have to depend on their replies. However, it roughly indicates their economic status.

Out of 552 councillors, data were available for 540 only which constituted 97.83 per cent of the total membership.

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<sup>1</sup> See in this connection, G. Ram Reddy, "Social Composition of Panchayati Raj—Background of Political Executive in Andhra Pradesh", *Economic and Political Weekly*, December 1967, pp. 2211 to 2214 and G. Ram Reddy and M. Kistaiah, "The Urban Political Executives—The Social Background of the Chairmen of Municipalities in Andhra Pradesh", *The Indian Journal of Political Science*, January-March, 1971, pp. 61-70



There were three vacancies and nine councillors could not be contacted.

Compulsory reservation of seats for women is made in Municipal bodies by the 1865 Act. Every municipality has to reserve two constituencies for them by bigger municipalities have more than two reserved wards. In the present sample there are 51 women councillors, all elected from the reserved constituencies. They constitute a small percentage, *i.e.*, 9.44 per cent compared to 489 men councillors who constitute 90.56 per cent. There is one woman councillor with a record of twenty years of municipal council membership. Out of 51 women councillors nearly half of them are either wives of the sitting councillors or ex-councillors or their close relatives. Generally, women do not evince much interest in municipal affairs, they are persuaded to contest because of the reserved seats. On being questioned about their role in municipalities, they directed us to their relatives in the councils at whose instance they contested the elections. The presence of women in these councils is more for fulfilment of the statutory requirement than for any real impact on the working of these bodies.

**Table I**  
**Distribution of Councillors by Age**

Age	No.	Percentage
21-25	5	0.93
26-30	43	7.96
31-35	88	16.30
36-40	131	24.26
41-45	116	21.48
46-50	83	15.37
51-55	47	8.70
56-60	17	3.15
61 & above	10	1.85
<b>Total :</b>	<b>540</b>	<b>100.00</b>

Table I shows that 61.11 per cent of the councillors are in the age group of

36 and 50, regarded as middle-age and 13.70 per cent are over 50 years of age. Those in the age group of 21 and 35 constitute 25.19 per cent. It shows that the young councillors constitute one-fourth of the membership in the municipalities. The average age is 41 year.

About 71 per cent of the Councillors were born and brought up in the town where they are serving as councillors. About 17 per cent were born in the district. Those who have come from outside the district and have become councillors constitute about 10 per cent. This category includes industrial workers in towns like Kagaznagar and Bodhan. A small percentage (2.41) of councillors are from outside the State. They belong to border towns like Tandur and Adilabad which are on the borders of Mysore and Maharashtra.

**Table II**  
**Distribution of Councillors by Caste**

Caste	No.	Percentage
Brahmin	24	4.44
Reddy	39	7.23
Vysya & Marwari	69	12.78
Velama	12	2.22
Lingayat	14	2.59
Padmashali	40	7.41
Mudiraj	33	6.11
Munnuru Kapu	37	6.85
Gouda	16	2.96
Yadava	12	2.22
Kapu	10	1.85
Other Castes	86	15.93
Scheduled Castes	65	12.04
Muslims	83	15.37
<b>Total</b>	<b>540</b>	<b>100.00</b>

In a 'modernising' society like India caste is an important institution which politicians mobilise into caste groupings and identities in order to organise their power.<sup>2</sup> Municipal politicians are no exception to this situation. Table II shows a detailed list of castes represented in the municipal councils. Castes which

<sup>2</sup> Rajni Kothari (eds.); *Caste in Indian Politics*, New Delhi, Orient Longmans, 1970, p. 5.

have less than ten representatives are grouped together as 'other castes'. This category includes mostly backward classes excepting three Kammas and two Sikhs. The data reveal that about 29 per cent of the councillors are drawn from the traditional upper castes of the society like the Brahmin, the Vysya, and the Marwari, the Reddy, the Velama, and the Lingayat;<sup>3</sup> backward classes and scheduled castes constitute about 55 per cent of the total membership. The Muslims are the largest single group in the urban local bodies with about 15 per cent of the total membership. In urban areas the Muslims, the Vysyas and the Marwaris are very articulate and play an important role in their local bodies. Partly, because of their being merchants, the Vysyas and

found in almost every town. These two sections of the society can be regarded as the 'entrenched' castes.<sup>4</sup>

The Municipal Act (1965) has provided for reservation of seats for the Scheduled Castes. The Government is the competent authority to fix the number of constituencies for them. In all the municipalities there are not less than two constituencies for the scheduled caste members, very few of them contested from general wards. The Harijan members constituting about 12 per cent of the total membership are there mainly because of this reservation.

The educational standards of the councillors can be judged from the data in Table III. About 10 per cent of the

**Table III**  
**Educational Qualifications of the Councillors**

<i>Caste</i>	<i>Illiterate</i>	<i>Read &amp; Write</i>	<i>Primary</i>	<i>Up to Matric</i>	<i>Matric &amp; Intermediate</i>	<i>Diploma &amp; Graduate</i>	<i>Total</i>
Brahmin	—	—	2	1	7	9	24
Reddy	—	15	4	5	10	1	39
Vysya & Marwari	—	13	22	2	13	9	69
Velama	—	1	1	1	1	3	12
Lingayat	1	4	5	—	3	—	14
Padmashali	1	15	15	2	3	3	40
Mudiraj	7	13	8	1	1	2	33
Munnuru Kapu	1	17	8	4	4	1	37
Gouda	1	8	1	—	4	1	16
Yadava	1	2	4	—	2	—	12
Kapu	—	5	1	1	2	1	10
Other Castes	8	18	19	12	14	12	86
Scheduled Castes	23	19	14	2	4	2	65
Muslims	12	18	19	6	11	5	83
<b>Total</b>	<b>55</b>	<b>148</b>	<b>123</b>	<b>37</b>	<b>79</b>	<b>49</b>	<b>540</b>
<b>Percentage</b>	<b>10.19</b>	<b>27.41</b>	<b>22.78</b>	<b>6.85</b>	<b>14.63</b>	<b>9.07</b>	<b>100.00</b>

Marwaris have strong economic interests in the urban areas. The Muslims who are urban-based in this part of the state, are

councillors are illiterate; they can just sign their names which have they learnt after getting elected as councillors. The

<sup>3</sup> Lingayat is an upper caste in Andhra Pradesh, whereas it is a backward caste in Mysore State.

<sup>4</sup> Rajni Kothari, *op. cit.*, p. 14. The difference between dominant caste and entrenched caste is explained by him in his notes to the introductory chapter (p. 24).

Scheduled Caste members constitute a significant number in this group. This is because of their general level of backwardness and poverty. About 27 per cent of the councillors can read and write. The standards achieved by different groups can readily be understood from the information in Table III. Of the college-educated members, the traditional upper castes form about 50 per cent. One finds a good correlation between membership of the upper strata of society and attainment of higher education.

Table IV shows 10 types of occupations. The traditional occupation—agriculture—is the main profession of about 27 per cent of the councillors. In this occupation the most important are the Reddys, Muslims, Scheduled Castes, Munnuru Kapu and other castes. Ten per cent of the respondents do not have any occupation. This includes almost all the women councillors, and a few others, who had the good fortune of inheriting ancestral wealth in the form of real estates in the towns. About 27 per cent of the respondents are the owners of tea stalls, pan shops, cycle shops, mechanic shops, hair-cutting saloons, etc. Among them Muslims and Scheduled Castes are in majority. Labourers, industrial workers and *gumasthas* in private service put together constitute 7.4 per cent. Big business men such as grain merchants, commission agents, cinema and lorry owners form about 11 per cent.

The Municipal Councils in this part of the State do not seem to have attracted the legal profession. Only about six per cent of the councillors belong to legal profession. Although all the towns have judicial courts with a good number of lawyers, they evince little interest in the civic affairs. Like-wise, the medical profession is also not strongly represented. The journalists and the LIC agents form a negligible portion. To sum up, it can be said that small shop-keepers occupy a predominant position in the councils.

As stated earlier, for various reasons, the respondents were reluctant to give reliable information about their income. Table V shows the rough income levels of the councillors. Depending upon their replies, ten categories have been prepared. About 8 per cent of the total respondents do not have any source of income. This includes women councillors and few 'dependents'. As much as 17 per cent of respondents fall in the annual income group of Rs. 500-1,500. It is interesting to note that nearly half in this category are Scheduled Castes and Muslims. Seventy per cent of the councillors earn less than Rs. 5,000 a year. People with low incomes, thus, seem to have better chances of becoming decision-makers in municipal bodies than the affluent sections. The traditional upper castes of the society like the Reddys, the Vysyas and the Brahmins are predominant in the income-brackets of Rs. 500 and above. All the Scheduled Caste member fall in the category of Rs. 5,000 and less per year.

Municipal elections are fought without party symbols and contestants are given independent symbols. Despite this, the party affiliations of the contestants are very well known to voters and the political parties also openly participate in municipal elections. Table VI shows that 64.82 per cent of the councillors belong to Congress (R). Congress (O) has no following in the urban local bodies in the Telangana region. The Communist Party of India, and the C.P.I. (Marxists) together constitute 10 per cent of the total respondents. Unattached councillors form 14 per cent. The representation of the Telangana Praja Samithi, which was formed recently in the wake of 'separate Telangana' agitation, is to the extent of six per cent only. The Jana Sangh and the Socialist Party have a small group of councillors (4.63%). It is clear that the Congress (R) has a dominant position in the urban local bodies.

**Table IV**  
**Distribution of Councillors by Occupation**

Caste	Agri- cul- ture	Legal	Medical	Big business (grain mer- chants & commission agents, & cinema & lorry owners)	Agri- cul- ture & Busi- ness	Jour- nalists & L.I.C. Agents	Petty business (tea stall, pan shop, cycle shop, etc.)	Private service	Labourers & Industrial workers	No occu- pation	Total
Brahmin	5	8	3	—	1	—	2	—	—	5	24
Reddy	29	1	—	—	3	—	4	1	—	1	39
Vysya & Marwari	1	4	1	21	6	1	30	—	—	5	69
Velama	3	5	2	1	—	—	—	—	—	1	12
Lingayat	4	—	—	5	2	—	1	—	—	2	14
Padmashali	4	—	2	3	3	—	15	4	7	2	40
Mudiraj	7	1	2	3	2	—	10	2	1	5	33
Munnuru Kapu	13	1	—	4	8	3	3	1	1	3	37
Gouda	7	1	—	4	—	—	2	—	—	2	16
Yadava	5	—	—	1	2	—	3	—	1	—	12
Kapu	5	—	—	1	—	—	3	—	1	—	10
Other Castes	22	2	6	5	8	—	30	4	—	9	86
Scheduled Castes	26	—	1	4	—	—	11	5	9	9	65
Muslims	13	10	4	6	3	—	34	1	2	10	83
Total	144	33	29	58	38	4	148	18	22	54	540
Percentage	26.67	6.11	3.89	10.74	7.04	0.74	27.41	3.33	4.07	10.00	100.00

Table V

## The Annual Income Levels of the Councillors (in Rs.)

Caste	No income	Less than 500	500- 1,500	1,501- 2,500	2501- 3,500	3501- 5,000	5001- 8,000	800-1 12,000	1,2001- 16,000	16,001 & above	Total
Brahmin	4	1	1	2	2	3	3	4	2	2	24
Reddy	1	—	4	4	3	7	10	5	2	3	39
Vysya & Marwari	4	—	1	2	4	12	9	16	6	15	69
Velama	1	—	—	—	—	2	2	3	1	2	12
Lingayat	2	—	—	—	—	2	1	3	2	4	14
Padmashali	4	—	8	9	5	8	4	2	—	—	40
Mudiraj	4	1	7	7	4	6	4	—	—	—	33
Munnuru Kapu	3	—	4	5	8	9	2	3	1	2	37
Gouda	2	1	1	3	2	3	3	—	—	1	16
Yadava	1	—	1	1	2	4	2	—	—	1	12
Kapu	—	—	—	5	—	3	1	1	—	—	10
Other Castes	8	2	13	10	7	25	10	5	2	4	86
Scheduled Castes	5	2	32	18	3	5	—	—	—	—	65
Muslims	5	1	11	17	13	15	9	8	1	3	83
Total	44	8	84	83	53	104	60	50	17	37	540
Percentage	8.15	1.48	15.56	15.37	9.81	19.26	11.11	9.26	3.15	6.85	100.00

**Table VI**  
**Party Affiliation of the Councillors**

<i>Caste</i>	<i>Congress (R)</i>	<i>CPI</i>	<i>CPM</i>	<i>TPS</i>	<i>J.S.</i>	<i>Socialists</i>	<i>Independents</i>	<i>Total</i>
Brahmin	14	2	2	—	2	—	4	24
Reddy	26	2	—	4	2	1	4	39
Vysya & Marwari	42	2	2	3	10	—	10	69
Velama	4	2	1	3	—	2	—	12
Lingayat	9	1	—	2	1	—	1	14
Padmashali	30	—	2	4	—	—	4	40
Mudiraj	22	3	3	4	—	—	1	33
Munnuru Kapu	25	2	2	1	1	—	6	37
Gouda	9	1	—	2	1	—	3	16
Yadava	10	1	—	—	—	—	1	12
Kapu	5	—	1	—	—	1	3	10
Other Castes	55	10	5	4	2	—	10	86
Scheduled Castes	47	4	—	5	1	—	8	65
Muslims	52	6	—	3	—	1	21	83
Total	350	36	18	35	20	5	76	540
Percentage	64.82	6.67	3.33	6.48	3.70	0.93	14.07	100.00

**Table VII**  
**Experience of the Councillors**

<i>Caste</i>	<i>Elected first time 1967-72</i>	<i>% of column 2</i>	<i>Been Coun- cillor since 1961-67</i>	<i>% of column 4</i>	<i>Been there since the first Council (1951-61)</i>	<i>% of column 6</i>	<i>MLA's</i>	<i>Total</i>
I	2	3	4	5	6	7	8	9
Brahmin	11	3.15	9	7.26	4 (i)	6.67	—	24
Reddy	25	7.14	3	2.43	10	16.67	1	39
Vysya & Marwari	46(ii)	13.14	14	11.29	8 (i)	13.33	1	69
Velama	7	2.00	4	3.23	—	—	1	12
Lingayat	7	2.00	3	2.42	4 (i)	6.67	—	14
Padmashali	27	7.71	8	6.45	5	8.33	—	40
Mudiraj	27	7.71	4	3.23	2	3.33	—	33
Munnuru Kapu	19	5.43	13	10.48	4	6.67	1	37
Gouda	9	2.57	2	1.61	4 (i)	6.67	1	16
Yadava	10	2.86	2	1.61	—	—	—	12
Kapu	6	1.71	3	2.42	1	1.66	—	10
Other Castes	55	15.72	20	16.13	10 (i)	16.67	1	86
Scheduled Castes	46(ii)	13.14	16	12.90	3	5.00	—	65
Muslims	55(ii)	15.72	23(iii)	18.55	5 (i)	8.33	—	83
Total	350	100.00	124	100.00	60	100.00	6	540
Percentage	64.82		22.99		11.11		1.08	100.00

- (i) One Brahmin, one Vysya, one Muslim, one Gouda, two Lingayat and two from other castes were not members in the 1961-67 council but were elected to the Councils in 1967.
- (ii) One Vysya, one Muslim and two Scheduled Caste members became councillors in the bye-election after 1967.
- (iii) Two councillors were elected in the bye-elections during 1961-67.

The data in Table VII make interesting reading. Initially, the councils consisted of elected and nominated members. The system of nomination was abolished on the eve of 1961 elections. As Table VII shows, about 65 per cent of the councillors have joined for the first time. About 34 per cent of the councillors have municipal experience ranging between ten to twenty years. Those having legislative experience constitute an insignificant portion (1%). Muslims form

the single largest group with about 27 per cent of the councillors who had experience as councillors. It can be said that only one-third of the total members have previous experience in the municipal affairs, and the majority are freshers.

### *Conclusion*

The study reveals that the majority of the councillors are drawn from the lower strata of the society. The general assumption that the upper castes of the society dominate politics is not valid in the case urban areas. The 'sons of the soil' have better chances of getting elected to the councils. The councillors are middle aged people with poor educational background. Agriculture and small business are the occupations of most of the councillors. They come from relatively low income strata of the society, and do not have sufficient previous experience of public office. Against this background, it can be guessed how successfully would the councillors perform their roles in the various urban local authorities they serve.\*

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# THE COUNCILLORS AND THE COMMISSIONERS IN HYDERABAD— THEIR ROLES AND RELATIONS

P. A. JAMES\*

AND

A. MURALIDHAR RAO†

The scope of this article is restricted to analysing the possible causes for friction between the Commissioner representing the executive wing, and the Mayor, the Standing Committee and the Council, representing the deliberative wing and to indicate the type of relations that exist and the lines along which they tend to develop.

The Hyderabad Municipal Corporation is governed by the Hyderabad Municipal Corporation Act, 1955 (hereinafter referred to as the Act). It may be useful to present, before discussing the relationship between the two wings, the relative roles of both and the importance of each in the organisational set-up of the Hyderabad Municipal Corporation.

## *Role of Different Authorities*

The Council is considered supreme because the city municipal government vests in it and it is one of the authorities of the Corporation, the other two being the Commissioner and the Standing Committee. The Council, consisting of elected representatives of the people, is responsible for policy making and for exercising important functions. For instance, the council has a considerable voice in matters of appointment, contracts, and approval of the budget. In practice, it is required to share some powers with other agencies, subject to certain limitations. As the deliberative wing of the Corporation, the Council elects the Mayor, the Deputy Mayor, the Standing Committee and the members of various other committees.

The Municipal Commissioner is appointed by the State Government and not by the Council.

Under the Act, the Mayor is not one of the authorities of the Corporation. He is elected annually and holds office until his successor is elected. Although he has all the powers of a presiding officer, he does not have any statutory power to

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lay down policy. The Council is the prime policymaking body.

As the Council meets infrequently, Committee system is practised for the efficient transaction of business. Among the committees, the Standing Committee can be considered to be supreme because it is a statutory committee and one of the three authorities of the Corporation. It consists of sixteen members elected by the Councillors at the first meeting after the general elections of the Corporation. One half of the members of the Committee retire every succeeding year. The Chairman of the Committee is elected at its first meeting from among its members and is eligible for re-election.

The functions performed by the Municipal commissioner, who is the chief executive officer, may be classified as administrative and financial.

The administrative functions of the Commissioner include enforcing the resolution of the Corporation, exercising control over the staff, granting licences, making temporary appointments, imposition of penalties for breach of statutory provisions, and implementing Standing Orders in respect of certain municipal matters.

The important financial duty performed by the Commissioner is the preparation of the budget. The Commissioner also performs certain functions which are non-administrative in character. He convenes the first meeting of the Council after elections, takes part in the discussions of the Council, attends the meetings of the Standing Committee, and with the permission of the presiding officer makes statements, when necessary, but he does not vote. The Commissioner is under an obligation to answer the interpellations of the Councillors regarding the Corporation's administration, but he needs not answer questions detrimental to the interests of the Corporation.

#### *The Mayor and the Commissioner*

Although the Mayor is a layman, he

is often a shrewd judge of human nature, an experienced politician and an expert in human relations. The Municipal Commissioner is a senior I.A.S. Officer and as such possesses professional expertise and wide administrative experience.

The institutional and operational roles of the Mayor and the Commissioner are distinctively different. Normally, there would be no occasion for clash of interests. The Commissioner, as a senior civil servant, is expected to faithfully implement the provisions of and the resolutions passed by the Council. His business is not only to see that the provisions of the law are upheld but also to prevent unlawful acts. Sometimes, the Mayor in conjunction with the Council can create hurdles and delay or thwart the execution of work. The 40 lakhs grant episode is a case in point. The Government granted Rs. 40 lakhs to the Corporation towards roads and sanitation. Some Councillors appreciated the gesture of the Government in releasing the grant but others resented the strings attached to it. The dissatisfaction was based on the ground that the grant bore no relation to the general neglect of the slums in the city, the amount was arbitrarily fixed by the Government and the motivation was political namely to benefit particular areas or promote sectional interests. The Mayor stayed the execution of words undertaken under the grant. When members questioned the competence of the general body to recommend a stay, the Mayor replied that the order had the approval of the majority. Thereupon the members staged a walkout in protest against the action taken by the Mayor.

Occasionally, there may be conflicts between the Commissioner and the Mayor. If any Councillor refuses to oblige the citizen he would naturally approach the Mayor, who in turn takes up the citizen's case with the Commissioner. The office of the Mayor confers no powers, but it provides easy access to various persons in authority. If the

Commissioner obliges the Mayor, their relationship becomes naturally cordial.

### *The Standing Committee*

✓The Standing Committee is the meeting point of the deliberative and the executive wings of the Corporation. The Standing Committee speaks for the Council, and the Commissioner presents the difficulties of the executive wing. / The Chairman of the Standing Committee has to play a balancing, compromising and harmonizing role.

The Commissioner initiates proposals and places them before the Standing Committee; so the Committee feels that it should be in a position to summon the Commissioner, to clarify any issues arising out of the proposals. The Act is silent on this aspect and there have been instances of the Commissioner's refusal to attend the meetings of the Standing Committee. On representation by the Standing Committee, the Government advised the Commissioner through a demi-official letter to attend the meetings, but he ignored it. Thereupon, the Chairman of the Standing Committee played a simple trick, leaving no alternative to the Commissioner but to attend the meetings. The Chairman after fully analysing the Commissioner's proposals stated that they were ambiguous and asked the Commissioner to clarify them by quoting the sections of the Act under which he initiated them. The Commissioner was further informed that the alone would be responsible for the consequences, should the Government suspend the resolutions passed by the Standing Committee in the absence of the Commissioner. This had the dramatic effect of making the Commissioner attend the meetings much against his wishes.

Instances where the Standing Committee encroached upon the powers of

the executive are not wanting. The Committee called for information on matters which did not fall within its ambit. Under the provisions of the Act the power of issuing a licence for carrying on any trade or operation vests in the Commissioner but in a case the Standing Committee unanimously resolved to issue licence to a hotel.<sup>1</sup>

Further, the Standing Committee in most of the cases revised the orders of the Commissioner undermining the discipline among employees. For instance, some employees of the rank of Bill Collector and Tax Inspector who were dismissed, were reinstated as per the appellate decisions of the Standing Committee. In other cases, where the employees were awarded punishments such as stoppage of increment, recovery from salary and reduction in rank, the Committee either exonerated them from the charges or recommended considerably lesser punishment.<sup>2</sup>

Disagreement and friction between the Standing Committee and the Commissioner arise for varied reasons. Normally, the proposals of the Commissioner are accepted by the Standing Committee. The Commissioner naturally feels humiliated when his proposals are rejected. This could very well be the starting point of future misunderstanding. The Standing Committee recommends the adoption and implementation of certain proposals but the Commissioner may, by wilful acts of subtle interpretation and diplomacy, create problems, complicate matters and incur the displeasure of the Committee. The Commissioner, it is alleged, tries to justify his actions by offering explanations for his stand, which on deeper examination prove to be incorrect. Further, the implementation of recommendations may be purposefully delayed much to the irritation or annoyance of the members of the Standing

<sup>1</sup> Vide, *Report of Special Inspection of the Working of the Hyderabad Municipal Corporation in the year 1970*. Government Central Press, Hyderabad 1970, p. 46 (Hereinafter called the Report).

<sup>2</sup> Vide, Appellate decisions of the Standing Committee through Resolutions Nos. 926 dated 22-3-1969 No. 989, dated 31-1-1970 and No. 1092 dated 9-1-1970 quoted in the *Report, op. cit.*, pp. 277 and 281.

Committee. The Commissioner, it is felt, is largely responsible for the creation of unpleasant atmosphere and the resultant strained relations.

If, on appeal, the punishment inflicted by the Commissioner on the employees are revised or modified by the Standing Committee or the Corporation, the Commissioner feels helpless as he cannot, under the Act, refer these decisions to the Government. Naturally the Commissioner feels bad that his decisions in matters of discipline, for which he is statutorily responsible, should be overridden by the Committee.

Should the Standing Committee tend to out-reach the Commissioner by exceeding its statutory power, it may further embitter and worsen the already complicated situation. For example, when the Commissioner reported to the Government about the state of affairs in the Corporation, the Government served a show cause notice on the Council. Then the Standing Committee unanimously resolved to request the Commissioner to place before it the two letters he had written to the Government. The Commissioner replied that he was not bound to produce them as they were confidential<sup>3</sup> and also pointed out that the Standing Committee had no statutory right to demand their production.<sup>4</sup>

Moreover, in matters of sanction of works and contracts, it is but natural for some Councillors to get interested. The ambiguous discretion left to the Standing Committee affords the members opportunity to interfere, and paves the way for favouritism, and corruption. The Standing Committee had accepted tenders

other than the lowest or other than those recommended by the Commissioner without recording reasons. During 1969-70, it was found that the Committee accepted tenders for the execution of works estimated to cost Rs. 6,79,355 other than those recommended by the Commissioner.<sup>5</sup> Instances are not rare when the Standing Committee has sanctioned works on the basis of the letters of individual councillors.<sup>6</sup> To cite a specific case, although statutorily the Commissioner is the authority to take suitable measures for lighting of public streets, the Standing Committee, surprisingly, on the letters of individual councillors had approved the fixing up of the tube lights and mercury vapour lamps.<sup>7</sup> At times, the Committee failed to obtain the remarks of the Commissioner before according sanction for the execution of works.

Misunderstandings, if any, could be cleared and resolved when the Commissioners and members of the Standing Committee would meet to discuss problems across the table. But existing mistrust and ill-will may force them to choose otherwise undesirable alternatives. Although, real issues differ, the member will find outlets on alleged false pretexts to give vent to their hidden animosity. For instance, it was alleged, the corporation approved the installation of Dr. Ambedkar's Statue, some time back. Against the Commissioner's refusal to instal it in a traffic island, it was reported that fifteen out of sixteen members of the Standing Committee wanted to go on fast. Actually twelve members went on fast and due to the intervention of the Mayor and the Chairman of the Standing

<sup>3</sup> *The Deccan Chronicle*, Hyderabad, December 24, 1968.

<sup>4</sup> The statutory position is that the Standing Committee can require any officer to attend its meetings and make a statement or explanation of acts or supply such information as may be necessary [Sec. 97(n)]. But it may be interesting to note that as per the Act "any officer" does not include the Commissioner. Sec. 1(7). It is only the Council that can ask the Commissioner to produce the correspondence and the Standing Committee does not enjoy such a power. Sec. 121(1)(a).

<sup>5</sup> *The Report*, op. cit., p. 41.

<sup>6</sup> *The Report*, op. cit., p. 38.

<sup>7</sup> *The Report*, op. cit., pp. 43-44.

Committee, fast lasted only for about two hours. Further, it was reported that the Standing Committee actually passed a resolution approving the installation six months prior to the fast. The objection, in fact, came from the Directorate of Town Planning on grounds of hindrance to traffic. It may be recalled that some of the senior councillors were unable to see eye to eye with the Commissioner. Possibly, the question of installation of the statue and the fast were rare pretensions to let off steam.

### *The Role of the Council*

The Council has not been permitted to encroach upon executive jurisdiction. Still, it has some control over other matters, as would be evident from the following provisions:

- (a) The Council is authorised to restrict or prescribe the manner of exercise of any powers and duties by the Commissioner under any other law which confers, imposes or vests in the Corporation such powers and duties.
- (b) The Council can recommend transfer of the Commissioner when dissatisfied, although it has no voice in his appointment.
- (c) It can ask the Commissioner to attend the meeting of the Council and can call for explanation and require him to submit plans and documents, etc.

These powers, if properly exercised by the Council, ought to be enough to keep the Commissioner in his place. If at any time, the Council fails to control the Commissioner it should be inferred, that the trouble may not be so much with the Commissioner as with the Council for its inability to exercise the powers it already enjoys in an appropriate manner.

Whatever might be the origin of a trouble, it finally reaches the Council for an effective solution. The controversy over delegation of powers led to a serious conflict between the Council and the

Commissioner. The Standing Committee approved the delegation of powers of the Commissioner to subordinate officers to expedite the work relating to complaints and revision petitions of tax assessment. Because of ill-will and animosity that developed, the Council directed the Standing Committee to take steps to withdraw delegation already sanctioned. The Standing Committee unanimously agreed and passed a resolution to that effect. The Council also passed two resolutions, one on the reassessment of properties and another on disposal of petitions, reversing its earlier stand. Under the new arrangement, the Commissioner was wholly made responsible for all the work, which paralysed the decentralised arrangement provided for earlier. Thereafter, the Council complained of the Commissioner's neglect of duty pointing out the pending cases. The Commissioner informed the Government about the unhappy situation, which prompted the Government to serve a show cause notice. The trouble continued for a long time and finally ended with the transfer of the Commissioner.

### *Conclusion*

If a review of the whole process is made, it looks as though the Mayor acts as a buffer between the Councillors and the Commissioner. Searching and enthusiastic Councillors, try to put the Commissioner in trouble, and the Commissioner defends the administration against the hostile and non-sympathetic Councillors. Judged purely on the basis of the terms of their offices, while the Commissioner can look forward to tangible results and have a sense of achievement, the Mayor, obsessed with the shorter tenure of office, will be less sure of positive achievement. In the normal discharge of his duties, the Commissioner may face troublesome situations and earn disrespect, whereas even a slight departure from the established practices to do certain things in the name of public interest may bring the Mayor lot of publicity and fame./

The senior officer who is posted as Commissioner will have to adjust himself to the realities of the situation. Failure on the part of the Commissioner to come up to the expectations can be explained in two ways. First, it may be due to his unwillingness to adjust himself to the changing situation. Second, the administrative charge may far exceed the level of competence of the person deputed to serve.

✓A good majority of the Councillors may belong usually to the ruling party and if they have trouble with the Commissioner, they have easy access to their party bosses including the Ministers. For party considerations, the leaders give them what is generally called their

“blessings” ✓Therefore the stand taken by the Councillors at the Corporation meetings, in some cases, may or may not represent the real situation. ✓The Commissioner as a civil servant is somewhat helpless as he lacks the access to higher political level which the Councillors possess. Nevertheless, as an agent of the Government he keeps the Government informed of all the developments in the Corporation. Depending upon the merits of the issue and the weight the Secretariat gives to his reports, he obtains some support. In such cases, what, appears to be a conflict between the deliberative and the executive wings is transformed into a conflict between the politician and the civil servant. ✓

# CIVIC PROBLEMS IN ASANSOL MINING SETTLEMENT

The Asansol Mining Settlement includes those areas of Burdwan, Birbhum and Bankura Districts where the Bengal Mining Settlement Act 1912 has been enforced. The scope of the present study is, however, limited to Asansol-Durgapur mining-cum-industrial complex of Burdwan District which covers 505 sq. miles, out of 547 sq. miles of the Asansol Mining Settlement. The Bengal Mining Settlement Act covers Chittaranjan, Salanpur, Kulti, Asansol, Hirapur, Barabani, Jamuria, Raniganj, Andal and Faridpur (Gogla and Ichapur Union Boards' area only) Police Stations of the Asansol and Durgapur Sub-divisions of Burdwan District. As the Bengal Mining Settlement Act is not enforceable in the municipal areas located in the mining Belt, the areas covered by the Asansol and the Raniganj Municipalities are beyond the scope of this study. But omission of a small fraction of the whole mining settlement may not affect the general conclusion drawn and the measures recommended on the basis of the information obtained from Asansol-Durgapur mining-cum-industrial complex.

## *Changing Character of the Region*

Till recently the Asansol-Durgapur Belt was noted for mining activity. The famous Raniganj Coal Field which extends from a few miles East of Raniganj Municipality to several miles west of the Barakar River, covers the major portion of the Belt. Even today mining is the principal occupation employing about 33.9 per cent of the total workers of the Asansol-Durgapur sub-division (excluding Buddud P.S.). The massive industrial programme of the first two Five Year Plans necessitated a rapid growth of certain key industries like steel, transport, power, etc. As the growth of other industries is linked up with the growth of key industries, new industries are coming up in the region. Rapid industrialisation receiving impetus from the existing mining activity has converted the region into an industrial-cum-mining complex. As a result, the

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contribution of the region to the State factory employment almost doubled from 6 per cent in 1951 to about 12 per cent in 1964. Recent trends indicate that the Asansol-Durgapur Belt is also emerging fast as the second largest industrial Belt of West Bengal. Combined growth of both mining and industrial activities in the region followed by the induced expansion of the tertiary sector has forced the region to assume a new look.

### *Nature of the Problem*

Industrialisation which has helped the expansion of the mining sector along with the tertiary activities has brought a radical change in the region. Unlike agricultural activities all the aforesaid activities encourage concentration of population and, in turn, congestion. The simultaneous expansion of industrial mining and tertiary activities in the region resulting rapid influx of immigrating workers, traders, servicemen, etc., and their dependent families has made the old congested mining Belt over-congested. As a consequence, unplanned, uncontrolled and haphazard growth of clusters of households in the form of vast slums grew up around the industries, collieries and commercial centres vitiating the socio-economic climate of the region. No doubt a few well-planned industrial townships have sprung up with the industrialisation of the region; but a minor fraction of the total industrial workers of the region could be accommodated in them. Naturally, the vast majority of the industrial workers of the region are compelled to live in slums around the industries and the industrial townships, e.g., outer Burnpur bustee area around the IISCO and its township at Burnpur, upper Kulti bustee area beside the IISCO and its townships at Kulti, etc. Similar is the condition of workers engaged in mining and tertiary activities. Even the *Dhowras* which are nothing but the worst type of bustees, provided by the owners of the collieries are not enough to accommodate all the mining workers and their dependent families. As a result, the problems of housing, water supply, health facilities,

and other civic services have almost become insoluble. But the problems of this region are distinctly different from those of the other regions of the state, because the scattered urban pockets of the region could not be isolated from their dependent rural fringes. Hence, the problems of this region are neither of exclusively rural type nor of exclusively urban type; these are a mix of both.

### *Existing Local Bodies and Their Services*

As stated earlier, the Asansol-Durgapur mining settlement consists of a number of non-municipal urban pockets scattered all over the region along with their dependent fringe areas. Two types of local bodies, viz., Union Boards (U.B.) and the Asansol Mines Board of Health (A.M.B.H.) are found functioning in the region. While the A.M.B.H. has jurisdiction over the whole of Asansol Mining Settlement, the U.B.'s individually have jurisdiction over groups of villages including urban centres and their dependent fringes within the Asansol Mining Settlement. The U.B.'s are microscopic organisations within the jurisdiction of the A.M.B.H., but independent of the control of the latter because they function under a separate Act. Though these organisations differ in respect of functions, authority and structure, their existence in the same region indicates some over-lapping and duplication of authorities and functions.

### *Union Boards*

The U.B.'s are organisationally, financially and technically so weak that it is beyond their capacity to cope with the increased demand of water supply, health facilities and other civic services. They are financially too poor to perform their minimum duties. Very seldom they can afford to repair roads, reclaim tanks and ponds and provide other civic services like health, sanitation, etc. The paradox is that while the areas under them generate so much of economic activities and are in general rich in financial resources, the Union Boards are unable to tap adequate funds for meeting civic needs.

The main source of revenue of the Boards is the Union rate which cannot exceed Rs. 84 and due to this statutory bar, the U.B.'s of this region cannot impose union rate exceeding Rs. 84 on the big industries, collieries, and commercial establishments located within their jurisdiction which are quite capable of paying more by way of taxes. The U.B.'s were originally conceived as rural local government units with meagre resources and few functions. Now that the areas within their jurisdictions have changed into non-agricultural uses and an industrial-urban complex has grown up, the institutions of rural administration are obviously a misfit.

#### *Asansol Mines Board of Health*

The unsuitability of the U.B.'s in the mining Belt was felt in the past and in view of the special problems of the mining Belt, the Government of West Bengal established the Board for the better control and sanitation of the mining settlement under the Bengal Mining Settlement Act, 1912. It is no doubt an improvement on the microscopic organisation, the Union Board. However, this has also proved unsuitable in the context of the changing nature and needs of the region, which is no longer an exclusively mining Belt but a mining-cum-industrial complex. With the expansion of mining and industrial activities, the tertiary sector has also flourished in the region, and their contribution to the growth of employment and population of the region is not negligible.

Though the services are very poor and inadequate, the A.M.B.H. serves the whole mining settlement in respect of control of epidemic and sanitation. It receives funds from the owners of the mines. Also, it levies fees, fines, etc. But it does not get any financial assistance from the owners of industrial and commercial establishments located within its jurisdiction. The Act under which it functions does not cover such establishments. While mining establishments employ about 43 per cent industrial and commercial establishments together employ about 31 per cent of the total

workers of the region. Being the second largest employer, the industrial and commercial establishments should also contribute to the fund of the A.M.B.H.

#### *Need for New Administrative Machinery*

A proposal for the formation of Notified Area Authorities at Burnpur, Dishergharh, Barakar-Kulti and Neamatpur areas with a total population of 2.88 lakhs and an area of 58.39 sq. miles has been submitted by the Asansol Planning Organisation as an immediate solution to their acute civic problems, and the proposal is under the active consideration of the Government. But the above mentioned Notified Area Authorities (proposed) will cover about one-third of the total population and a minor fraction of the whole mining-cum-industrial complex. The proposed measure will thus be a partial solution to the entire problem, as the major portion of the population and the area will still remain under the U.B.'s. and the A.M.B.H. The substitution of the Union Boards by the Panchayats is not going to solve the problem. In view of the special problems of the region, microscopic organisations like the Panchayats may not be suitable for the region; both mining activities and mining population are migratory and highly mobile. For instance, a mining settlement with a population of about 8,000 grew up around Banali Colliery under Jamuria Block I; with the closure of the colliery in 1970, the population fell to 1,600 in 1971. This floating character of the mining activities has got to be reckoned with in designing local administration within the region. The execution of water supply schemes, construction of hospitals, etc., are very costly affairs and normally these are beyond the capacity of the small Union Boards and Panchayats. Sometimes, it might be possible for them to undertake such projects with the aid of the Government, but the mobile character of the mining activities may shift the demand for such services from one Panchayat area to another with movement of mining population from one place to another. Hence, instead of constructing and



maintaining several water supply Projects, hospitals, etc., at several Panchayat and Union Board areas, it is economical and manageable to undertake big projects at central places which would serve the whole area according to needs so that the inherently fluctuating nature of the mining Belt may not affect those services. The Asansol-Durgapur mining-cum-industrial complex is neither an exclusively urban area nor an exclusively rural area, it has a mixed character. The nature of local administration must be such that it suits the peculiar conditions of the mixed settlements.

The A.M.B.H., with its specialized machinery and long experience of serving both rural and urban (non-municipal) areas of the Asansol Mining Settlement may yet play a more vital and vigorous role if the Bengal Mining Settlement Act, 1912 is amended to reconstitute it as a

general civic-cum-development body with wider powers and authority. Greater powers are needed for the realization of funds from both mining, industrial and commercial establishments and implementation of effective civic and welfare services. In view of the vast jurisdiction of the Board and the ever-increasing demand for more and more comprehensive civic services, like health facilities, water supply, etc., and due to the rapid growth of the region as a 'complex', the present financial resources of the Board is quite inadequate. The revenue of the Board has fallen sharply due to the abolition of the Zamindari system. Royalty cess was one of its two main sources of revenue. Under the circumstances, the alternatives are : (i) to reorient the A.M.B.H. and (ii) to devise a new administration which would cater to the needs of the rural-urban area.

# BACKGROUND CHARACTERISTICS OF MUNICIPAL BUREAUCRACY : A CASE STUDY IN RAJASTHAN

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The present paper is an attempt to investigate the background characteristics of the municipal bureaucracy in Rajasthan and their attitude towards the job. Regarding municipal personnel the main inquiries are confined to : 'who are they', 'why' they have joined municipal service', and 'what kind of job they would have preferred to join if given chance to go back to their initial career search'. The present analysis includes the responses of higher officials, viz , commissioners, executive officers, revenue officers, and engineers who belong to the unified cadres of the Rajasthan Municipal Service (RMS), and inspectors, overseers, draftsmen, accountant, auditors, librarians and teachers who constitute the technical wing of the other unified service, the Rajasthan Municipal Subordinate and Ministerial Service (RMSMS). The incumbents were interviewed personally at the respective municipal headquarters. Out of a total of 145 municipalities in the state, the respondents were selected from eight only. In the sample are included one first class municipality, one second class municipality and two each from third, fourth and fifth classes of municipalities. In all 48 officers above the level of clerks were interviewed of whom 14 belonged to the Rajasthan Municipal Service and 34 to the Rajasthan Municipal Subordinate and Ministerial Service.

Table I shows the age-groups to which the respondents belong. Among the officers in the RMS cadres, only one was below 30 years of age and five were in the age group of 31-40 years, while eight officers were found to be in the middle and higher age groups.

In the RMSMS cadres, six were in the age group of 21-30 years and thirteen in the next slab. The remaining 15 officers belonged to the middle and higher age groups. Thus in the higher cadres of the RMS, the majority belonged to the upper age groups. Contrarily, the majority of the RMSMS officers were in the lower age groups.

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**Table I**  
**Municipal Personnel : Age Groups**

<i>Type of Service</i>	<i>Age-groups</i>				<i>Total</i>
	<i>21 to 30 years</i>	<i>31 to 40 years</i>	<i>41 to 50 years</i>	<i>51 and above</i>	
RMS	1 (7.1)	5 (35.7)	5 (35.7)	3 (21.5)	14 (100)
RMSMS	6 (17.6)	13 (38.2)	11 (32.4)	4 (11.8)	34 (100)

SOURCE : Data collected during field interviews.

Figures within brackets indicate percentages

Table II indicates the length of service of the officers in both services. One, out of 14 RMS officers, was serving for the last five years in the municipal civil service and three between the period from 6 to 10 years. It means that only four (28.6%) officers have joined the municipal service after the enactment of the Rajasthan Municipal Act 1959. Ten (71.4%) of the RMS officers entered the municipal job before the enactment of the Rajasthan

Municipalities Act, which is indicative of the fact that the majority of officers were recruited by the political bosses much before the introduction of the unified cadres.

In the cadres of RMSMS, out of 34 officers, thirteen were recruited after the enactment of the Municipal Act and the remaining 21 (61.8%) were recruited prior to this period.

**Table II**  
**Municipal Personnel : Length of Service**

<i>Type of Service</i>	<i>Years</i>			<i>Total</i>
	<i>1 to 5</i>	<i>6 to 10</i>	<i>11 and above</i>	
RMS	1 (7.1)	3 (21.5)	10 (71.4)	14 (100.0)
RMSMS	9 (26.4)	4 (11.8)	21 (61.8)	34 (100.0)

SOURCE : Data collected during field interviews.

Figures within brackets indicate percentages.

In regard to their places of birth (Table III), only two RMS officers were found serving in the towns where they were born, while 32 (94.1%) belonging to RMSMS were serving at their native places. It shows that the higher executive officers come from outside and their subordinates are in general 'sons of the soil'.

The representation of higher caste in the cadres (Table IV) of RMS and RMSMS was in the proportion of 92.9

per cent and 55.9 per cent respectively. It is significant to note that almost all the officers belonging to the RMS cadres had high caste affiliation. Low caste representation in the services was found to be absent.

#### *Educational Attainment and Training*

The educational attainment of the municipal personnel and the professional training received by them can be understood from the data in Table V.

**Table III**  
**Municipal Personnel : Places of Birth**

<i>Type of Service</i>	<i>Birth Places</i>		<i>Total</i>
	<i>Same Town</i>	<i>Same District</i>	
RMS	2 (14.3)	12 (85.7)	14 (100.0)
RMSMS	32 (94.1)	2 (5.9)	34 (100.0)

SOURCE : Data collected during field interviews.  
Figures within brackets indicate percentages

**Table IV**  
**Municipal Personnel : Social Position by Caste**

<i>Type of Services</i>	<i>Caste Status</i>			<i>Total</i>
	<i>High</i>	<i>Middle</i>	<i>Low</i>	
RMS	13 (92.9)	1 (7.1)	—	14 (100.0)
RMSMS	19 (55.9)	15 (44.1)	—	34 (100.0)

SOURCE : Data collected during field interviews.  
Figures within brackets indicate percentages

**Table V**  
**Municipal Personnel : Level of Education and Training**

<i>Type of Service</i>	<i>Levels of Education</i>				<i>Training</i>		
	<i>Below matric</i>	<i>Matric</i>	<i>College</i>	<i>Univer- sity</i>	<i>Total</i>	<i>Trained</i>	<i>Untrained</i>
RMS	1 (7.1)	6 (42.9)	6 (42.9)	1 (7.1)	14 (100)	10 (71.4)	4 (28.6)
RMSMS	11 (32.4)	20 (58.8)	2 (5.9)	1 (2.9)	34 (100)	5 (14.7)	29 (85.3)

SOURCE : Data collected during field interviews.  
Figures within Brackets indicate percentages.

It is significant to note that seven (50%) of the RMS officers who head important departments of municipal administration did not receive education even up to college level. Another interesting point is that one officer was educated up to the primary standard only and one had a chance to attain university education.

In RMSMS cadres, 31 (91.2%) respondents did not receive education up to college level; and 11 (32.4%) of the respondents received only primary education. Only one out of 34 respondents in the RMSMS had received higher education.

As regards training, four out of 14 administrative or departmental heads (RMS) did not receive any training in relation to their work. Ten officers attended a training course of a very general nature mainly to get some advance increments. Thus, training for improved job performance has almost gone by default. So far as the officers in the RMSMS cadres are concerned, only 5 attended the preliminary certificate

## Perceptions

The perceptions of the municipal officers in regard to 'why they have joined the municipal service' and 'what services they would like to join if given a chance to go back to the initial career search', are given in Table VI.

It is revealing that 12 (85.7%) out of 14 officers in RMS cadres joined municipal job because of lack of availability of better jobs. In respect of RMSMS cadres also, the same conclusion emerges.

In RMS cadres, none would have joined the municipal service if given a chance to go back to the initial career search; 3, 5 and 4 respectively would have joined the services of the State Government, the Central Government and the private enterprises. In RMSMS cadres, 2 respondents would have joined municipal job, while the rest would have joined either State or Central Government services. It shows that they had no intention to join the municipal

**Table VI**  
**Municipal Personnel : Perceptions about the Job**

Type of Service	Why Joined			Total	Service they would Prefer				Total
	Serve society	Non-availability of better job	To be at one place		Municipal jobs	State Govt. jobs	Central Govt. jobs	Private concerns	
RMS	2 (14.3)	12 (85.7)	...	14 (100)	...	3 (21.5)	5 (35.7)	6 (42.9)	14 (100)
RMSMS	1 (2.9)	27 (79.5)	6 (17.6)	34 (100)	2 (5.9)	27 (79.5)	2 (5.9)	3 (8.8)	34 (100)

SOURCE : Data collected during field interviews  
Figures within Brackets indicate percentages.

course in local government; but the majority did not have any exposure to training.

job due perhaps to lack of prestige and poor service conditions. Ambition does not always seem to have been matched

by educational attainments, yet it must have been successful in creating job dissatisfaction.

From this limited survey, one can understand, the socio-economic back-

ground of the municipal bureaucracy and their perceptions about the jobs they are doing. The picture that emerges out of this analysis is not a very bright one which calls for radical rethinking about the manning of municipal posts.



# TEACHING OF LOCAL GOVERNMENT

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Local government as a sub-field of public administration figures in the university curriculum all over the world. In Britain, for instance, a substantial part of public administration programme at the university level consists of courses on the principles and practices of local government. In the United States of America, the recent trend is to give considerable emphasis on the teaching of municipal government through a variety of courses. Apart from purely institutional analysis and discussions, management courses and urban studies have been fairly firmly launched in the United States, which makes it abundantly clear that the universities in that country are attaching immense importance to the study of municipal government.

In India public administration at the university stage is a late-starter. But the study of local government in its rudimentary form has long been in vogue as part of the university programme on political science. In a sense, thus, the study of local government at the university stage may be said to have antedated the study of public administration. It is encouraging to note that in recent times quite a few of our universities have launched public administration programmes at the university level and well-equipped departments of public administration have been set up in those places. The emergence of public administration departments has naturally helped not only the teaching of public administration in general but also the study of local government in particular.

## *University Teaching of Local Government*

As a sub-field, 'local government' assumes all the characteristics of the major field of 'public administration'. There are quite a few good reasons why the teaching of local government should be encouraged and even expanded at the university level. In the first place, local government institutions are easily accessible to the teachers and the students, and many of the concepts and practices of public administration

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tion could be examined and tested through field visits to the local institutions. In the second place, a programme of dissertation for the Master's degree can be successfully conducted, if the students could be asked to take-up specific subjects relating to local government. In the third place, since local government has always been accepted as the foundation of our democratic structure, it may well be expected that the involvement of the universities in the study of local government institutions would improve greatly the image of local government and lead to reforms in its administration. It may not be far wrong to say that academic neglect of our local government is to some extent responsible for the low esteem of our grassroot institutions. Apart from these reasons, there are some practical considerations also. As an important level of public administration in our country, local government is engaged in the administration of a range of local services such as public health, education, roads, water supply, etc. Since public well-being depends so much on the successful administration of these local services, academic attention is necessary to examine how the local bodies are, in practice, run. Besides, in a country which is wedded to economic and social development, all the levels of government have to move in concert and with efficiency. The contribution of local government to local and national development needs hardly to be exaggerated. Academic analysis of the operations of local government will have a decisive impact on the blossoming of local democracy and acceleration of economic development. Our local bodies employ a huge army of officers and servants which constitute not an insignificant part of our total labour force engaged in public administration. They spend considerable sums of public money, and it is expected that these operations receive academic interest in order that they could be more successfully carried on. Although 'teaching' and 'training' are not synonymous, the university teaching of local government may pave the way for a better understanding of our local institutions. It may even

indirectly help many of the aspirants for such municipal posts as those of executive officers, which are gradually now being constituted into state-wide unified cadres.

### *Syllabus Contents*

Once it is accepted that the teaching of local government has a place in the university curriculum, the next problem that needs to be solved is one of framing a syllabus for a course on local government. It is not being advocated that local government can immediately be a full-fledged subject at the university level. As is the general practice in other countries, local government should form an integral part of a rounded university programme of public administration. Obviously, the public administration curriculum would have a core programme, in addition to which a number of optional papers could be considered. In fact, one can envisage two such optional papers exclusively devoted to the principles, practices, and problems of local government. Since at the university level a great deal of emphasis has to be given on the basic principles, theoretical considerations and comparative analysis, the contents of both the papers need to be carefully devised. It can be broadly suggested that the first paper could include discussions on general principles of local government and comparative analysis. Here the idea would be to expose the students to the philosophical roots of local government, the norms for determination of local functions, the principles of inter-governmental relationships and similar other subjects. In recent times, comparative political analysis has emerged as a rich field, and there is no reason why the study of comparative local government cannot draw on general political analysis. This will be more rewarding than the conventional country by country approach. The second paper could be exclusively devoted to the problems of local government in India—both rural and urban. Apart from conventional institutional analysis, political, functional and managerial problems of Indian local government might be emphasised



in the second paper. This is a very broad-brush suggestion. The intention is to align local government studies with the modern trends towards behavioural and managerial analysis.

### *Teaching Methods*

The problem of devising proper teaching methods concerns the entire discipline of public administration including its sub-field—local government. There is an over-dependence on the formal lecture method in our universities, which, of course, has its own advantages. In fact, whatever be the modern innovations in teaching methods, there is no substitute for a well-prepared and well-delivered lecture. Among additional teaching methods, case methods and seminars are noteworthy. So far as the case method is concerned, it may be pointed out that this method has been in use for a long time in the university law faculty. In public administration its application has not been generally tried out. Obviously, this would necessitate launching of a separate case study programme in close collaboration with the several governmental authorities, keeping in view the needs of the students and the public administration syllabus. No doubt, the case method can be profitably used to acquaint the students with the flesh and blood of the administrative process. The other method—seminar—is also not new to our universities. What is needed, however, is to gear the seminar method to the teaching programme of public administration. It is possible to hold seminar discussions on papers prepared by the students or faculty staff. Alternatively, renowned civil servants could be invited occasionally to initiate discussions on specific subjects. If a programme of dissertation is accepted, short-term internship can be tried out to enable the student to get an inside view of the institution under study. Internship would become easier to operate in a local body which might be situated near the university and could be approached without much difficulty. There is thus a variety of teaching methods available and

it is always possible to add to the existing ones.

### *Faculty Specialisation*

It is common experience that even at the university level specialisation is not always possible, and a teacher has to teach a variety of subjects in one discipline. If the teaching of local government has to be seriously taken, it needs hardly any emphasis that attempts should be made to promote specialisation in that subject. Specialisation has also its advantages. As the teacher delves deeply into a particular subject, he builds up good teaching materials in the course of this exercise, and he is even tempted to write good text-books which greatly help the students. However, a teaching programme on local government should simultaneously have a programme of preparing teaching materials, collection of information, and launching of case studies and research in that field. As a university department would go on pursuing its interests in this field, this would not only help the teaching of the subject but also the very practice of local administration. It is easier to become familiar with the problems of local government much more quickly because of easy accessibility of the local institutions and availability of field materials. In this connection, the need for developing expertise on comparative local government deserves special mention. As already pointed out, in recent times, considerable academic sophistications have been achieved in the study of comparative politics and administration, and the study of comparative local government has to keep pace with these developments. The universities are undoubtedly most suited to develop a programme of comparative study of local government.

### *Specialised Institutes*

In recent times, a few centres of training and research in local government have come up with the help and encouragement of the Government of India and some State governments. This

has helped in building up data and information on panchayati raj and municipal government. These centres are trying to devote their full attention to the various problems of local government. In the process it is expected that special competence in this particular field will be built up. The study of local government in the university may be organised in close collaboration with these specialised centres. The methods of collaboration would, of course, have to be worked out. It is possible that staff exchanges can be made between the training institutes and the universities, which may be to the advantage of both. Through well-organised imaginative seminars and summer courses, the teachers in the training institutes and the universities can get together and exchange ideas and information on their common subject. If the case method has to be widely used in the universities, case files and monographs would have to be prepared. This is an area where the specialised training and research institutes and the university departments of the public administration can work together.

#### *Advanced Centre in the Universities*

The university teaching of local government would also need the patronage of the University Grants Commission, which has the responsibility to stimulate and develop particular disciplines at the university level. Once local government teaching in the universities strikes firm roots and the faculties are gradually developed, the University Grants Commission may well take the step to set up advanced centres of local government in a few selected universities. This will naturally give an impetus to the teaching

of local government. Already a few advanced centres have been set up by the University Grants Commission in certain Universities on specific disciplines. To encourage area studies in the field of international relations, area study units have also been established in a few Universities. It is expected that the Commission would like to stimulate and strengthen the University departments engaged in the study and teaching of local government. The entire field of local government embracing panchayati raj and municipal government provides an exciting area of academic interest and it is rather unfortunate that alongside the setting up of specialised institutions on panchayati raj and municipal government, almost nothing has been done to encourage the study of local government in our universities. Especially at a stage in our national history when progress and modernisation are being taken as more than mere shibboleths, one would expect a vigorous academic interest in all the levels of our public administration including local government which sets the pace for our democratic form of government. As the subject is less developed yet, there is considerable scope for developing it through unconventional ways. For instance, interdisciplinary approach which has almost become a *cliche*, can be profitably followed in the study of local government that has the potentiality to embrace the totality of community life. In fine, this is a subject which lends itself to considerable—avantgardism, and one can only hope that opportunities will be created in our universities, at least in the unconventional ones such as the Jawaharlal Nehru University, for the promotion of a study that badly needs the light of academic inquiry\*.

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# JUDICIAL DECISIONS

## *Land Acquisition*

A constitution bench of the Supreme Court consisting of the Chief Justice, Mr. Justice Grover, Mr. Justice Ray, Mr. Justice Palekar and Mr. Justice Beg, in a judgment delivered on March 27, 1972 has declared that the provisions of the Bombay Provincial Municipal Corporation Act, 1949 relating to the acquisition of property for purposes of streets were valid and did not violate the compensation provision contained in Art. 31(2) of the Constitution. The Act empowered the Municipal Corporation to prescribe what was known as "the regular line of a public street" and Section 212 of the Act authorised the Commissioner to acquire any property that fell within the regular line and also to call upon the owner of any building thereon to remove the superstructure. In pursuance of the powers conferred by this Section, the Corporation of Ahmedabad had issued notices to the owners of certain buildings asking them to show cause why the superstructure should not be removed and the line acquired for the purpose of the street. The owners, on receipt of the notices, filed writ petitions in the High Court of Gujarat challenging these orders on the ground that Section 212 was unconstitutional in so far as it violated the provisions of Section 299 of the Government of India Act, 1935 and also contravened Arts. 14, 19 and 31 of the Constitution dealing with the fundamental rights to equality before the law and to property. They contended that the Act did not specify the principles for the computation of compensation to be paid to the owners of the property under acquisition and as such was unconstitutional. Accepting this contention the High Court held that the Act did not lay down the principles on which and the manner in which compensation was to be determined and therefore Section 212 was violative of

Art. 31 of the Constitution. The Corporation appealed to the Supreme Court.

The Supreme Court allowed the appeal and held that the Act had specified the principles on which and the manner in which compensation had to be determined and there was no violation of the constitutional provisions relating to compensation.

Mr. Justice Palekar, speaking for the Court, observed that the Act provided for compensation to be determined in accordance with judicial principles by the employment of appropriate methods of valuation so that a person who was deprived of property was fully indemnified against the loss. The Court, accordingly, set aside the judgment of the High Court, but remanded the case to the High Court for disposal since the High Court had not considered the challenge to the validity of the impugned provisions of the Act on the ground of infringement of fundamental rights under Arts. 14 and 19 of the Constitution.

## *Housing Scheme*

The Housing and Street Scheme prepared by the Meerut Improvement Trust has been upheld by Mr. Justice K. N. Singh of the Allahabad High Court by his ruling on March 17, 1972. The Court was deciding a writ petition filed by the owner of a land which was under orders of acquisition for the Housing accommodation and street-scheme lying between Meerut-Garhmukteshwar and Meerut-Hapur Roads, prepared by the Improvement Trust. Dismissing the petition His Lordship held that there was no illegality in the notification issued for the purpose of acquiring the land for the scheme. He said that the same scheme was held to be valid by the same Court in another judgment and the U.P. Avas

Evam Vikas Parishad was legally entitled to carry on the scheme framed by the Meerut Improvement Trust and that he was in full agreement with the reasons given therein.

### *Elections*

A division bench of the Allahabad High Court by a ruling given on January 17, 1972 has upheld the validity of the general elections for local bodies including the municipal boards, the notified area committees and the town area committees, held in Uttar Pradesh in May 1971. The court was deciding on a batch of writ petitions filed by members of the electorate and defeated candidates challenging the validity of the elections of members, chairmen and presidents to various municipalities. The petitions related, among others, to the municipal boards of Saharanpur, Ghaziabad, Rampur, Hapur, Mussoorie, Azamgarh, Deoria, Farrukhabad, Reobertsganj and Lakhimpur Kheri. The main contention of the petitioners was that the elections were held on defective electoral rolls. According to them the notification issued by the State Government on May 7, 1971 requiring elections to be held on the basis of existing delimitations order was wholly illegal and the elections held in compliance thereof were invalid because there was no fresh delimitation of wards nor was there any fresh delimitation orders by the State Government. Unless fresh electoral rolls were prepared after a general and wholesale revision of existing rolls, general election could not have been legally held, they contended. Rejecting these contentions, the Court held that no delimitation of wards was legally necessary, nor was it obligatory on the part of the State Government to make fresh delimitation orders before calling upon the wards to elect members. The Court dismissed the petition and held the elections valid.

### *Supersession*

Mr. Justice C. S. P. Singh of the Allahabad High Court by his judgment

delivered on January 18, 1972 has quashed the order of the State Government superseding the Municipal Board of Jaunpur on various charges against it. Allowing the writ petition filed by the Board through its president, his Lordship said that it was clear that the order of supersession passed by the State Government was unsustainable as it was based on irrelevant considerations and could not be justified under the provisions of Sections 7 and 30 of U.P. Municipalities Act, 1916. He added that none of the charges against the Board could be sustained and as such the order had to be quashed. He directed the State Government not to interfere with the functioning of the petitioner on the strength of the impugned order.

### *Dissolution*

A division bench of the Madhya Pradesh High Court has quashed the order of the State Government dissolving the Karsia Municipal Council on certain charges relating to various acts of commission and omission of the Council and the President and Senior Vice-President thereof. (Decided on July 28, 1971; reported in A.I.R. 1972 M.P. 34) The State Government had, by the impugned order, dissolved the Council under Section 328 of the M.P. Municipalities Act, 1961 holding that it was not competent to perform the duties or persistently made defaults in the performance of the duties imposed on it by or under the Act or exceeded or abused its powers. It was contended by the petitioners that no proper opportunity was afforded to the Council to meet the charges levelled against it and that the order of dissolution made by the State Government did not satisfy the statutory requirement of stating the reasons for the dissolution and as such was null and void. The Court accepted these contentions and quashed the order of dissolution. Mr. Justice Bhargava, speaking for the Court, pointed out that the power given to the State Government under Section 328

of the Act to dissolve or supersede a Municipal Council was a drastic power and could not be held to be properly exercised unless it was exercised strictly in conformity with the procedure laid down in that Section. It was further

held that the State Governments' power to dissolve a Municipal Council was quasi-judicial in nature, because the very nature of the power implied a duty to act judicially requiring it to observe the principles of natural justice.

# URBAN NEWS

## UNION GOVERNMENT

### *The Central Housing and Urban Development Corporation*

An amount of Rs. 35 crores has been sanctioned to 19 housing schemes in 10 States by the Corporation during nine months. This loan will generate an overall investment of about 66 crores. It will result in the development of about 20,000 residential plots of varying sizes and construction of 30,000 houses for low and middle income groups.

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An amount of Rs. 4.28 crores loan has been granted by the Corporation to the Delhi Development Authority and the Rajasthan Housing Board. Out of this, about Rs. 3 crores will be spent by the DDA for the construction of 3,400 tenements for the low-income group and economically weaker sections of the society.

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The Corporation has agreed to advance sufficient financial assistance in the form of loan to help carry out West Bengal's housing projects.

## STATE GOVERNMENTS

### *Gujarat*

The 10 year-perspective plan for Gujarat has been finalized recently. Besides other things, the plan has provision for improving scientific use of land, prevention of air and river water pollution, slum clearance, prevention of new slums, and establishment of area development corporations for the development of backward areas. The total outlay of the plan is Rs. 3,000 crores with a supplementary provision of Rs. 600 crores.

### *Haryana*

The State Town and Country Planning Department has formulated a plan for a new model town to be built around Rohtak in an area of 4,294 acres.

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The State Government has agreed in principle to abolish house-tax charged by the local bodies in the State. The local bodies will be compensated by State grants equal to their revenue earned from house tax.

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### *Rajasthan*

The Governor of Rajasthan abolished all the 11 Urban Improvement Trusts through an ordinance known as Rajasthan Urban Improvement Amendments Ordinance 1972 ending the terms of the existing chairman and members. The Government plans to reconstitute these trusts by appointing new Chairman and members.

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### *Tamil Nadu*

The State Government is planning to form a separate transport corporation known as the Cheran Transport Corporation Ltd., with its headquarter at Pollachi to cope with the problem of transportation at Coimbatore and its neighbouring regions. This decision has been taken after the taking over of transport companies by the Government under the Fleet Operations Carriage (Acquisition) Act.

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The State Government has sanctioned a scheme for providing assistance in the form of loan for building houses to

plantation managements and housing co-operative societies. The cost of such houses will be Rs. 3,000 excluding cost of land and its development.

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The State Government has sanctioned Rs. 20 lakhs for improvement of rain-affected roads to Madras Municipal Corporation. It has also given Rs. 10 lakhs for the widening of different roads in the city to facilitate traffic movement.

#### *Uttar Pradesh*

The Government of Uttar Pradesh is planning to set up five Corporations for the integrated development of the State. The whole State would be divided among the Corporations for development purposes. The first Corporation has already come into existence for eight hill districts in the north. The other two would cover Bundlkhand and Eastern districts and the remaining two for Central regions and western UP will follow. The U.P. Hill Development Corporation will take up tourism and pilgrimage as a major industry and is reported to have been formulating schemes for promotion of tourism in the hill districts.

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### CITY GOVERNMENT AND SPECIAL AUTHORITIES

#### *Ahmedabad*

Rs. 69 lakhs Sarespur Potalia Tolav Slum Clearance Scheme has come into operation under which 1080 tenements will be constructed and each house will cost Rs. 9,000.

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#### *Bangalore*

Creation of a separate sub-division has been planned by the city Corporation to expedite the work of slum clearance. A scheme to improve over 130 slums in the

city area has been referred to the Union Government for approval. It has also been decided to construct a 24 storey public utility building by the side of Mayo Hall.

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The Bangalore Corporation in its latest budget estimates has proposed to spend Rs. 16 lakhs for erecting fountains at the rate of one in each of its 63 divisions.

#### *Baroda*

Prime Minister Shrimati Indira Gandhi, laid the foundation stone of the domestic gas supply lines and also the low-cost housing scheme of the Baroda Municipal Corporation recently.

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#### *Bombay*

A proposal to open full-fledged Urban Development Studies cell to prepare professionals for urban development career, has been underway at the National Institute of Training in Industrial Engineering (NITIE). The programme includes holding of a series of one-week courses for personnel from Municipal Corporations and other public utility organizations. The programme will be carried out with the financial assistance of Bombay Municipal Corporation.

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It has been proposed to revise the development plan for Greater Bombay keeping in view the Maharashtra Regional and Town Planning Act. The idea is to make it more realistic by involving co-operative and private enterprises in the orderly development of the city.

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Bombay West Rotary Club has chalked out a plan under which a Mini train in the Municipal Garden at Gazdar Scheme,

Santa Cruz (West), will be operated and maintained by the club for children.

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A 1,837 meter long bridge across Thana Creek costing Rs. 2.72 crores has been finally opened to traffic. This bridge has brought new Bombay project area closer to the city by 25 kilometer, and vast hinterland on the eastern side of the Creek now being developed under the twin-city project, will also be easily accessible to Bombay. Another bridge is under construction across the Panvel Creek.

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#### *Calcutta*

A housing project costing Rs. 45 lakhs has been sanctioned by Calcutta Metropolitan Development Authority under the Slum Modernization Project at Chetla. The scheme aims to house 1,200 families in ten blocks each having five storied buildings. The housing units will have an area varying between 100 to 150 sq. ft. and rent ranging from Rs. 12 to Rs. 22 per month.

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#### *Chingleput*

The Government of Tamil Nadu has decided to upgrade the Chingleput Municipality from class 'C' to class 'B' with effect from April 1, 1972. The decision was taken following the rise in population in the city and the income of the Council.

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#### *Darjeeling*

A Master Plan is being prepared by the State Siliguri Planning Organization for the development of Darjeeling and Kurseong municipal areas.

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#### *Dibrugarh*

The Municipal Board of Dibrugarh has been taken over by the State Government following its supersession. The charges against the Board include bad tax collection, not providing minimum civic facilities to the tax payers, irregular payment to its employees and bad relations between the official and non-officials.

\* \* \* \*

#### *Howrah*

Howrah will be having one of the biggest sewerage treatment plants in eastern India by 1975. The plant, when completed will be having 10 million gallons of sewage per day, with a provision to boost this figure up to 85 million in the final stage. It will serve a population of 1.1 million in the Howrah and Bally Municipal areas.

\* \* \* \*

#### *Hyderabad*

The elections to the Hyderabad Municipal Corporation are likely to take place before June this year.

\* \* \* \*

#### *Indore*

An ambitious programme of supplying drinking water to Indore and Mhow City has been launched at a cost of 12 crores at Jalud near Maundleshwar, 71 kilometers from Indore. The scheme will meet the growing demand of drinking water in these regions.

\* \* \* \*

#### *Kanpur*

A sixteen-point plan has been prepared by the Kanpur civic body in order to remove encroachments, broaden



and improve the important roads in the different parts of the city.

\* \* \* \*

### *Madras*

Dr. Y. Nayadumma, Director-General of C.S.I.R. while inaugurating a symposium on air pollution in Madras, put forward a seven point formulae to fight pollution hazards and suggest a thorough consideration of future pollution problems before according licenses to new industries which would include survey of polluted area, development of air quality, practical emission standards on existing sources of pollution through existing laws and tax incentives, creation of industrial zones based on the micro-meteorology of the area and research on the effect of pollution control on public health. He further suggested that effective legislation was needed to each pollution and urged for a suitable task force for the assessment of pollution. Dr. A. Rama Chandran, Director of Indian Institute of Technology, Madras suggested setting up of a national environment protection board to tackle the problem in three directions viz., air, water and the nature in General.

The symposium, after a great deal of discussion on the problem, recommended—setting up of a monitoring station at all important industrial locations and large towns, adequate legislative measures for setting up standards for air quality and control and pollutant emissions, a central body to coordinate and correlate data on air pollution. It was also put forward that there should be close liaison between industry and public health authorities. More studies should be undertaken by Central and State Governments and organisations connected with pollution studies and also manufacture of indigenous equipment for pollution control.

\* \* \* \*

The administrative set-up of Madras Municipal Corporation has been changed

following the amendment of the Madras City Municipal Corporation Act, which replaces the circle committees by functional committees. It has practically reverted back to the old set-up of 1962.

\* \* \* \*

### *Nellore*

An amount of Rs. 7.37 lakhs has been placed by the State Government at the disposal of the Public Health Engineering Department for completing the first stage of the ambitious drainage scheme of the Nellore Municipality.

\* \* \* \*

### *New Delhi*

Delhi Administration has decided to grant a fresh loan to the public for house construction. The Administration has already advanced loan amounting to Rs. 194 lakhs, Rs. 316 lakhs and Rs. 19 lakhs respectively for the low and middle-income and village housing schemes.

\* \* \* \*

The New Delhi Municipal Committee has decided to install a 100 bed hospital at Baird Lane. The decision was taken on the recommendation of the Medical and Licensing Sub-Committee. The Committee also recommended ambulance services round the clock to serve the road accident victims.

\* \* \* \*

### *Delhi Corporation*

The new budget of Delhi Municipal Corporation for the year 1972-73 brings house tax relief to the lower and middle income group people.

\* \* \* \*

### *Varanasi*

A master plan to beautify the ghats on the Ganga is being formulated on the Delhi Pattern. Suggestions from the

architects from all over India will be invited to give a suitable colour scheme and unified designs.

\* \* \* \*

#### *Bihar State Housing Board*

The Bihar State Housing Board has been constituted in pursuance of a decision of the State Government. The Board will have five non-official members and advisers from the State Government.

\* \* \* \*

#### *Bangalore Water Supply and Sewerage Board*

The Board will go for an open market loan to the tune of Rs. 2 crores to finance Cauvery Water Supply Scheme for Bangalore. The State Government has made provision of Rs. 1.4 crores for the scheme in its annual plan and the Life Insurance Corporation will release further instalment of loan to the Board so that the work could be completed early.

\* \* \* \*

#### *Delhi Development Authority*

The Delhi Development Authority has planned to allot plots of land and flats to the dependents of war victims wishing to settle in Delhi. The Delhi Electric Supply Undertaking has also planned to supply free electricity to the war heroes.

\* \* \* \*

#### *Gujarat Housing Board*

The Board is constructing houses which will be allotted on hire purchase basis under various schemes in the State. It has also been decided that 15 per cent of the houses will be reserved for defence personnel. It has also taken up a scheme to construct 7,625 flats for the low and middle-income groups. Developed plots will be sold by auction to the general public for the purpose of house building.

\* \* \* \*

#### *Maharashtra Housing Board*

The Board is contemplating to construct 34,244 tenements for different categories of people at the cost of Rs. 28.25 crores. The categories include industrial workers, economically backward people, slum dwellers, low-income group, and middle-income group. The scheme is expected to be completed in three years time. The Board has also launched a scheme amounting to Rs. 3.25 crores for clearing the slums between the Mahim Creek Bridge and Santa Cruz Airport.

The Board has chalked out a scheme under which facility of outright sale and hire-purchase of the houses will be available to the tenants. It has also an ambitious plan to construct 40,000 houses in the next three years throughout the State.

\* \* \* \*

#### *Tamil Nadu Housing Board*

The Board has formulated a novel scheme for providing housing facilities to middle and poorer classes. Under it, the people will be encouraged to invest in deposits with the Housing Board and after the maturity of the deposits the house building work will be taken up by Board at place selected by the depositor. The details of the schemes are being worked out.

\* \* \* \*

#### *Tamil Nadu Water Supply and Drainage Board*

The Board has planned to supply protected water to arid and endemic regions in Tamil Nadu at an estimated cost of Rs. 8 crores. The scheme is meant to mitigate the hardship faced by people in parched areas and to prevent any outbreak of epidemic disease due to lack of protected water.

\* \* \* \*

*Uttar Pradesh Housing and Development Board*

In a recent meeting of the Board, it has approved several housing schemes for Aligarh, Varanasi, Dehradun, Kanpur, Haldwani, Rae Bareilly and Pratapgarh.

\* \* \* \*

*Uttar Pradesh Road Bridge Corporation*

The State Government has decided to set up a Road Bridge Corporation with an initial capital of Rs. 1 crore. The Corporation will construct new bridges and look after those on which tolls are being levied.

\* \* \* \*

*Uttar Pradesh Water Supply and Sewage Board*

The State Government is contemplating to constitute a State Water Supply and Sewage Board. The main task of the Board will be development of water supply and maintenance of sewage disposal works in the urban as well as rural areas.

\* \* \* \*

*Uttar Pradesh Transport Corporation*

The Uttar Pradesh Government is likely to set up a Transport Corporation soon in the State to run the State Roadways. The Board will have a capital of Rs. 35 crores.



# NEWS FROM THE TRAINING AND RESEARCH CENTRES

## NATIONAL CENTRE

Apart from training courses, two high-level seminars were organised by the National Centre to focus attention on two important problem areas.

On December 20th and 21st, 1971, a seminar on *Problems of Municipal Laws* was organised, which was largely attended by the representatives of various Municipal Corporations in India and allied organisations interested in municipal government. A number of experts on law and administration from the University Law Faculties and the Indian Law Institute were also present. The seminar was inaugurated by Shri Hans Raj Gupta, Mayor of Delhi. For purposeful discussions, the topic was subdivided into the following aspects :

- (i) State control of municipal bodies,
- (ii) Problems of delegation,
- (iii) Suits against the municipalities and the remedies, and
- (iv) Status of municipal employees.

Papers were presented in each session by experts on the subject, which was followed by discussions by the participants. Under the topic 'State control of municipal bodies', the participants were critical of the old municipal Acts which were framed during the British Regime to serve the purposes of the alien rulers. Considerable emphasis was laid on the need for a model municipal Act which could be adapted with suitable local adjustments. The participants devoted considerable time to the problems relating to supersession of municipal authorities by the State Governments. Questions were raised as to the suitability of this method of State control to bring the erring municipalities to book. The delegates expressed concern at the wanton use

of this drastic method by many of the State Governments. The second topic on 'problems of delegation' was looked at from the points of view of both executive delegation and legislative delegation. Case laws were frequently cited in order to highlight the phenomenon of excessive delegation. Attention was drawn during the discussion to the representative nature of municipal government which necessitated conferment of considerable powers on the local authorities, and the point was made that the delegation of powers to the municipal authorities should be treated entirely on different footing from delegation to the executive wing which does not represent the will of the people. The next topic relating to 'suits against the municipalities' was discussed in the light of numerous injunctions and writs against the municipal authorities. The question of municipal tortious liability was dealt with at length. There was a general feeling that injunctions against the municipalities were very often issued liberally by the courts which stood in the way of effective enforcement of municipal regulations. Participants discussed in some details the possibility of instituting quasi-judicial Tribunals within the municipal corporations to meet the ends of justice as also to expedite municipal business.

The last topic on the 'status of municipal employees' was discussed mainly in the context of introduction of unified cadres of municipal services in many States. A point was made that the scope of Article 311 of the Constitution has been limited and the employees of the local bodies have been discriminated against and treated as second class civil servants. The concluding session of the seminar was addressed by the Mayor of Bombay, Dr. Hemchandra S. Gupta who laid considerable emphasis on the need for framing of model municipal enactments for

different categories of local bodies in the country. He observed that the State Governments should treat the local authorities as partners in the common endeavour to serve the citizens and develop the country.

#### *Seminar on 'Local Authority Policy Planning'*

Another important seminar was held during the period March 25th to April 6th, 1972 on the subject of *Local authority policy planning*. This was organized in collaboration with the Institute of Local Government Studies of the University of Birmingham, England. The British team consisted of Prof. Henry Maddick, Director of the Birmingham Institute and three of his eminent colleagues. The main purpose of the seminar was to hold a full-dress discussion on the strategy of municipal development plans for the Indian cities. The British team narrated at length the experiments now being conducted in England in the field of local authority policy planning. They tried to clarify the new concept of community planning which meant the spelling out of objectives of local area plan. The next step in the exercise was to think of the alternative methods of achieving the objectives and to weigh the costs and benefits of each alternative. The organisational and administrative implications were also spelt out and suitable techniques were pointed out to ensure inter-authority coordination and cooperation. From the Indian side, the idea was to revive the Planning Commission's concept of city development plan as integral part of the State plan, which was mooted as far back as 1962. Since the urban situation in all the major cities has been fast deteriorating and urgent action was needed to stem the rot, it was felt that attempts should be made as early as possible to firmly go ahead with the preparation of city plans. The early experience has been that while the plans were prepared in certain instances these could not be implemented for various reasons. Hence, it was emphasised that the formulation of plans

was as much important as their successful implementation. The Birmingham group met the faculty members from the IIPA and the Regional Centres of Training and Research in Municipal Administration on their arrival to the Institute mainly to familiarise themselves with recent developments in Indian urban administration. The subject—local authority policy planning—was discussed in two seminars, one during March 28 to 30, 1972 which was attended by experts and officials of various State Governments, Union Ministries, the Planning Commission and a number of specialised agencies such as the Town and Country Planning Organisation. The Birmingham group initiated the discussion on the concept of local authority policy plan, and dealt with the methods and techniques needed for the formulation of such a plan. The Indian participants reacted to the ideas thrown up by the British group and tried to relate the English experiences to the Indian urban situation. The second seminar was held during April 3 to 6, 1972 which was attended by senior municipal officers, and the Mayors and the Chairmen of Standing Committees of Municipal Corporations from a number of major cities in India. The consensus was that city problems have far too long been grossly neglected and efforts should now be made urgently to solve these in collaboration with the higher levels of government. The seminar was inaugurated by Shri Hans Raj Gupta, Mayor of Delhi, who had also delivered the valedictory address.

### REGIONAL CENTRES

#### *Bombay*

The Centre organised an in-service training course of four months duration for the supervisors and officers of urban local bodies in the region during the period October 22, 1971 to February 22, 1972.

Specialised training in Tax Administration of 6 weeks duration was started on 22nd February, 1972, and a seminar was held on 'Growing Cities and Priorities' on January 31. The Presidents of

Municipal Councils having a population of 50,000 and above in Maharashtra, Gujarat, Rajasthan and Mysore States attended the seminar which was inaugurated by Shri P. G. Kher, Minister of Urban Development, Maharashtra State. The Centre was consulted by the Corporations of Surat and Patna on their administrative and financial problems.

\* \* \* \*

#### *Calcutta*

The Centre is due to introduce a six-month Diploma Course in Urban and Municipal Administration from March, 1972. Under this programme, the training session will be of six months duration and the present Certificate Course of 4 months duration will be discontinued. Only in-service people will be admitted to the Diploma Course. The Centre is conducting a survey of the impact of rent control legislation on the municipal rate.

\* \* \* \*

#### *Hyderabad*

The Centre has been running the post-

graduate Diploma Course in Local Self-Government which is for a year only. Apart from this, the Orientation Course on Municipal Administration was held during July-August, 1971. The Centre has undertaken two research projects: one on 'Under-assessment of Property Tax in Hyderabad Municipal Corporation, and another on 'State Governments' involvements in Municipal Personnel Administration in the Southern States'.

\* \* \* \*

#### *Lucknow*

The Centre conducted two in-service Training Courses each of six weeks duration during the year 1971-72, which were attended by municipal officers from Uttar Pradesh, Bihar and Madhya Pradesh.

A conference on 'Reforms in Municipal Government' was organized on December 3 and 4, 1971, which was widely attended by non-officials, officials and experts. The Centre proposes to hold four training courses during 1972-73.



## BOOK REVIEWS

*BUREAUCRACY AND PARTICIPATION: POLITICAL CULTURES IN FOUR WISCONSIN CITIES*; BY ROBERT R. ALFORD, Chicago, Rand McNally & Co., 1969, pp. 235, Price : \$ 8.95.

Two ideas are at work in administration under a democratic form of government. This could be described as the concern of citizens for participation in government and for efficiency in the performance of the tasks under government. According to traditional democratic theory, no conflict exists between democracy or control of government by citizens or their elected representatives and bureaucracy or the specialized career functionaries working for the government. However, current socio-economic forces like expanding knowledge in science and technology, consequent industrialization and urbanization as well as the shrinkage of distance through rapid means of communication and transportation are bringing two other forces into operation. These are the growth in the number and size of organisations and an increase in the regulatory and service functions of government. The relations between citizens and government are not as simple today as these used to be under a *Laissez faire* democracy. Nor could the bureaucracy be as neutral or as generalistic as it was in the nineteenth century. Government's tasks are extending into spheres of production and distribution of a wide variety of goods and services and these have to be managed by complex organisations staffed by technical experts. Citizens, on the other hand, are becoming progressively less knowledgeable about the complexities of tasks undertaken by government; and technicians are likely to gain ascendancy over bureaucrats and may probably be less concerned with people's participation than with technical efficiency. The author recognizes the incompatibility, to some extent, between the principles of bureaucracy and participation (p. 25). The author also refers to the "unfinished character of American local government and politics" and em-

phasise the ambiguities underlying the structures of bureaucracy and of participation as well as the cultural values which define the meaning of those structures.

Cultures with democratic tradition and developed economies have to be empirically studied to test the hypothesis as regards size, economic base and participation. The study under review makes an attempt in this direction.

Four wisconsin cities, in U.S.A., different from each other, but common in many respects, were taken for empirical study. These are Madison, Racine, Kenosha and Green Bay. Bureaucratization was understood as referring to the degree of development of specialized agencies to handle local government functions (p. 17). Participation was understood as referring to the extent to which groups and individuals have an effect on the decision-making process (p. 21). In the study, both bureaucracy and participation are treated as attributes of communities and of groups and their structural correlates and consequences are examined.

The methodology adopted for studying political culture in the four cities is systematic and commendable. The first two chapters are theoretical and concerned respectively with the importance of the economic base of a community which influences bureaucratization and participation and relationship of bureaucracy to participation. Chapters III to VI (inclusive) deal with city studies outlining land use and ecology, history, business and labour, form of government, political parties and a few other aspects pertaining to each city. The rest five chapters deal respectively with Bureaucratic and Participatory Structures, Bureaucratic

and Participatory Cultures, Leadership and Voter Orientations and Behaviour, Decisions and Policies and Bureaucracy, Participation and Power Structures. There are five appendices from pp. 205-236 consisting of The Sample & Response Rates, The Interview Schedule, Selection of the Leaders, Index of Organizational and Political Involvement and Characteristics of Wards in the cities.

The author refers to two problematic areas that persist in the way the public affairs of American cities are conducted: the degree of popular participation in decision-making and the degree of differentiation of a specialized decision-making apparatus. These two aspects are incidentally significant, *mutatis mutandis*, at all levels of government. A shift in all cities towards greater and greater centralization of decision-making authority is a common phenomenon. However, there is evidence of modern socio-political system being highly bureaucratized as well as exhibiting high participation as many groups are organized for political ends, and processes of decision-making are differentiated and handled by specialists. In modern societies, formal rather than informal channels and public rather than private resources are likely to be used for the solution of conflicts.

The study under review is thorough from the limited horizon of the author, namely, to suggest a typology of economic base as a key independent variable in studies of political processes in communities and to theorize about the possible connections between the growth of

cities, changes of its economic base and consequences for local government and politics and it found "distinctive patterns of association of the level of bureaucracy and participation with economic base". The following hypothesis is of great value to democratic developing countries like India, "A smaller, less-industrialized, and more homogeneous community will thus probably be less bureaucratic and less participatory. Diverse economic and non-economic status groups, with diverse political demands will tend to foster bureaucratization and participation in the larger, more industrialized and less homogeneous communities" (p. 13).

On the whole the study makes a contribution to an analysis of bureaucracy and participation at the local government level in a conventional sense. The contribution on the participation aspect could be more unconventional and could have also emphasized more direct participation in decision-making. The study also could have laid greater stress upon the different types of publics and the limitations that several publics suffer in the matter of participation. Similarly, if diversified specialization is the hall-mark of bureaucratization, efficient management also demands specialization, in coordination and how to achieve this type of specialization is also a conceptual aspect of bureaucratization which needs theoretical analysis. India provides a rich soil for empirical studies of the kind attempted in the book. Students of urban government as well as political sociology would do well to read the book.

—V. JAGANNADHAM\*

*CITIZEN AND THE MUNICIPAL BUREAUCRACY; BY V. JAGANNADHAM AND N. S. BAKSHI, New Delhi Indian Institute of Public Administration, 1971, pp. 124, Price : Rs. 10.00.*

This is a case study of the experiences of Delhi citizens in regard to the sanction of building plans and the securing of

building completion certificates. The case study pertains to the years 1964-65 and 1965-66, the latest for which the material

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\*Professor of Social Administration, Indian Institute of Public Administration, New Delhi.



was available. The sample of the citizens engaged in building activity selected for survey was 430 out of the total of 15,554. Out of these 430 citizen-respondents, half the number could be interviewed. Out of the sample of officials concerned in the building department consisting of 121, only 54 (*i.e.* 45%) could be interviewed. Discussions with the registered architects were also held to get a feel of their views in the matter. The relevant office records were also studied.

The objectives of the study were three-fold : (i) to study the working of the Corporation's Building Department in relation to the particular activity under reference and to spotlight the problems and difficulties involved in it; (ii) to detect the gap in process of communication between the administration and the citizens and their agencies like the architects; and (iii) to note the informal operation of the municipal bureaucracy as distinct from the formal pattern envisaged in the legal and structural framework.

The authors have succeeded in the fulfilment of their first and second objectives, but their efforts in regard to the third objective have remained incomplete.

The main finding of the survey is that the tendency to transgress the building byelaws is widespread among the citizens. The absence of careful inspection during the construction stage of the execution of the sanctioned building plan is largely responsible for this violation of the byelaws. A sizable number of citizens rely on the architects for the regularisation of the violations. This provides a fertile ground for corruption. The fact of corruption is corroborated by the survey, but the monetary amounts involved in it could not be found out in the course of the responses from the citizen-respondents. A large number of citizen respondents were ignorant of the provisions in the byelaws. The administration has failed in communicating the knowledge of the byelaws and other procedural requirements to the

citizens concerned. Inordinate delays in the sanction of the building plans and the issue of the building completion certificates also reflected on the inefficiency or wilful negligence of the officials. It is surprising that low salaries of the subordinate official were not considered to be an important factor in the phenomenon of widespread corruption. Ignorance of the byelaws and procedures was also experienced among subordinate categories of officials, *viz.*, the building inspectors. This underlines the need for training of the officials in this aspect of the work of the building department, as has been rightly pointed out in this report. It has been hinted in the chapter on 'Personnel' that the fact that most of the technical field personnel are diploma holders affects their efficiency. The possession of a diploma in place of a degree in engineering by the field officials would not really make much difference in their competence in the discharge of the functions, since the knowledge of a diploma holder is quite equal to the tasks of the field duties.

Apart from the important recommendations for setting up citizens advice and service bureaux for determining the information on building matters, and for deleting unhelpful restrictions on vertical structures and rules about setbacks relating to heights and open spaces, the study makes several suggestions on various other matters at different places.

The suggestion for substituting, in the citizen-respondents questionnaire, the patent variables relating to bio-data by other significant variables is appropriate and has been borne out by other similar surveys.

The study fills up an important gap in our knowledge of a crucial and preliminary activity of the municipal administration in the country. The main findings of the report would reflect the experiences relating to building activity of other municipal administrations in bigger cities in the country. The study could have

enlightened the bureaucratic phenomenon in a better way if the political aspect had been taken into account and a deeper probing on a wider conceptual basis had been undertaken. But, even as far as the

problem-areas in the field are concerned, the study is well-conceived, thoroughly executed and the gathered material is presented clearly and cogently.

—N. R. INAMDAR\*



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\*Reader, Department of Politics and Public Administration, University of Poona.

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# NAGARLOK

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## EDITORIAL

Elections to local bodies, urban and rural, have taken place in a number of states. It is hoped that this will give a spurt to new activity on the part of local governments with a greater sense of commitment and dedication. 'Nagarlok' has been urging during its brief existence—and it has been supported in this by the national Centre for Training and Research in Municipal Administration in this Institute as well as by the other regional centres in the country—that without the active participation of local governments in our extensive development programmes, the chances of success in their implementation would be greatly reduced. It must be remembered that, whereas a centralised authority may be useful in certain respects in a developing country, implementation itself requires the willing support of and participation by the community, particularly in a country of our size and with acute backwardness in many fields. This is all the more so as the goal is not just economic growth : the major objective is social justice. The establishment of a meaningful communication between a remote central authority and local communities is well-nigh impossible. The problem is not solved merely by delegation of power or authority to subordinate units of administration. The bureaucracy has a very important role to play as it can make available technical skill, know-how and guidance to needy members of the community. But it cannot replace the enthusiasm and the responsiveness of the community. These latter are very important ingredients in the process of implementation of plans of development.

It is not possible altogether to eliminate politics from local government : elections are bound to take place on the basis of party lines but, unlike at the state and the central level, local policies and programmes are not so vastly affected by party ideologies. It should, therefore, be possible, even on the basis of elections on party lines, for the elected representatives to work together and raise the level of local services and add new ones to the range of their activities.

Another matter in which local governments can begin to take more animated interest is the environment. The recent international conference

held in Stockholm has highlighted the need to give added attention to the growing menace of pollution. All local governments can strive to make their contribution in this direction. An area which concerns them intimately but often tends to get neglected is in regard to pollution caused by inadequate conservancy and sewage and garbage disposal arrangements, absence of potable water supply and safe disposal of industrial effluents. In the context of the global problems, the esoteric talk of "ecocide" and complicated discussions about exploitation of resources and space, these things may appear to be of small significance. Yet, purely in a local sense, they are vital and the cumulative effect of action on these fronts will help improve the environment considerably. Local governments can begin to pay greater attention immediately to these urgent problems which fall almost entirely within their jurisdiction.

—EDITOR

# DEVELOPMENT, DECENTRALIZATION AND LEADERSHIP

For more than a decade, development and decentralization have been considered as two inter-related programmes essential for the progress of the emerging nations. In Asia, legislative reforms linking the two started in the 1950s<sup>1</sup> and subsequently the Arab world also began to introduce legislations and other reforms for development. However, introduction to the preliminary pamphlet on this conference begins with the following statements :

“In spite of the marked trend for an effective participation of local authorities in the preparation and the implementation of economic and social development programmes, local administration has not shown, during the last few years, signs of development in its assumed tasks. Faced with this fact, most of the Arab countries have realised the necessity for promulgating new laws or regulations with respect to develop local administration and to enable local authorities to function effectively.”

Again “new laws or regulations” are considered essential for effective functioning of the local authorities. Naturally, the question arises : Can new laws and regulations solve the problem? If they can, how can they be drafted and implemented?

The following is an attempt to discuss several problems to be borne in mind when further reforms are being contemplated. The writer does not claim to have done any field research in the Arab world. Nevertheless, he has developed some sensitivity to the problems of the developing countries through his field observations in India and the Philippines which may have some relevance to our discussions

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<sup>1</sup> India under Panchayati Raj, Pakistan under Basic Democracy, and the Philippines under Mag-saysay's Barrio Charter are illustrations of early reforms in Asia.

as well.<sup>2</sup> The writer will be only happy if some of the problems mentioned below do not exist in this area.

### *Centralization, Recentralization and Decentralization*

The irony of recent situation in development is that the concepts of central planning and local administration respectively and together, have created an inevitable paradox. The words 'central' for planning and 'local' for administration on the one hand provide a compromise formula to 'central planning and administration' vs. 'local planning and administration'. While such a formula may give satisfaction to a few idealists, in reality what it has amounted to in many countries is 'central planning and administration' and 'local non-planning and non-administration'.

Local non-planning and non-administration used to be the criteria of a stage when problems were less and resources plenty in the rural areas. That system implied a set of relationships among families of a village based on certain customs and respect for established practices. With the emergence of national governments imposing taxes and 'law and order' upon these people, the first stage of centralization started. One characteristic of this type of centralization was that still, most activities of the village people—family, social and economic—were locally generated and fulfilled and thus non-centralized. Also, any such activity undertaken by the central government at this stage was with few exceptions, limited to major cities and this was in one sense a localized national activity.

The emergence of national planning and concepts of socialism and development enhanced the scope of government activities which began to penetrate into the countryside. This phase can thus be

called the era of 'recentralization'. Recentralization is thus an attempt at effective centralization with centrally generated and administered planning. After a few years of the working of the plans the governments realize that central planning can be effective only if there are effective local systems of government to implement the plan. Naturally, this is the stage when 'democratic decentralization' becomes the slogan.<sup>3</sup> In practice, however, the degree of decentralization and democracy varies from country to country and at times from one area and another in the same country. Again, introduction of democratic decentralization will depend, even legislatively, upon the system of central government in any country. In countries where democratic practices have been introduced and cultivated, democratic decentralization has certainly helped the training of the citizens for wider participation in local, provincial and national affairs.

Democratic decentralization with centralized planning presents several problems at the centre and in the locality. One major question is : *How far and how much?* Is it enough to decentralize up to provincial or governorate level? Or, is it to be extended further up to the villages and small towns? Again, which are the types of powers to be devolved upon the localities? Very often those who ask for greater autonomy at the provincial level are the very people who are against any further decentralization. They look at the villages with the same contempt with which they are looked at by some people in the national capitals. Consequently, the question of real decentralization is often led to the question of the capabilities of the villages and towns almost in the same manner as the colonial powers talked about the capacity of the colonies for self-government.

<sup>2</sup> Several ideas mentioned in this paper may be located in more elaborate forms in my book, E. H. Valsan, *Community Development Programs and Rural Local Government : Comparative Case Studies of India and the Philippines*, New York, Praeger Publishers, 1970.

<sup>3</sup> In India, the term democratic decentralization became popular after a report of a study team on community development and national extension under the chairmanship of Balwant Rai Mehta in 1957.

### *Size and Self-Government*

Quite closely related to the reluctance to decentralize is the problem of the size of a local authority to have more powers. Technological innovations and appliances available for development activities are considered too expensive and large if they are to be used only by small villages. Availability of technically qualified personnel and the capacity of smaller areas to employ them are also important considerations to be taken into account. An answer to this problem lies in the creation of or strengthening of intermediate areas between the villages and the provinces or districts. This area can be of the size of a Block in India, a Municipality in the Philippines, or a Merkas in Egypt. The creation of such intermediate level is not meant to curb the initiative of the village for self-government. On the contrary, it should be only to facilitate administration and coordination wherever size is considered important.

### *Bureaucratization and Democratization*

An interesting aspect of planning in the developing countries is that along with the bureaucratization of plan implementation, the trend towards democratization also emerges. On the one hand, development involves many expert activities and planned organizations. New cadres of officers and lower level civil servants are recruited for this purpose. Development programmes provide employment at the expense of their own ultimate effectiveness in many instances. Parkinson's Law tends to operate sooner or later and a major part of the development budget is spent on personnel.

Democratization is attempted in order to make implementation of the plan more beneficial to the people. All kinds of problems involving the relationship between the bureaucracy and the politicians emerge. While the bureaucracy claims expertise in administration and technical tasks, popular representatives claim awareness of local conditions and needs.

Generally, the bureaucracy is centrally directed as far as their service conditions are concerned and their ambitions also tend to be in that direction. In most instances, their commitment to the area tends to be ambiguous.

Despite apparent contradiction between the bureaucracy and the politicians at the local level, closer look at their operations reveals at times clandestine understanding and collusion between the two often for personal benefit of the official and the 'leader' at the expense of the community they are expected to serve and represent. This collusion takes place due to involvement of the politicians in contracts for local works and the acceptance of bribe by the official who thereby relaxes the standards he is expected to insist upon. Many other forms of collusion are also possible between the two. In such situations, the controversy of 'central vs local' becomes purely an academic topic far from reality.

### *Bureaucratic Objections to Democratic Decentralization*

Democratic decentralization with greater devolution of power to villages and intermediate level councils is often objected to by the civil servants who work under the national governments especially at higher levels. They always warn against too much politics in development activity, immaturity and lack of education of the politicians, and against political corruption and partisanship which would impede development. They would, therefore, prefer centrally directed and centrally controlled development projects. This bureaucratic attitude is questioned by the politicians who level charges of inefficiency, red tape and corruption against the civil servants.

### *Political Double-talk on Decentralization*

Whereas politicians in most countries speak loudly for democratic decentralization, in many instances, in practice, they themselves seem to be responsible for the delay in introducing reforms towards

genuine devolution of power. On the one hand they are aware of the propaganda value of the slogan 'democratic decentralization'. At the same time, they foresee the danger of developing collective decision-making capacities and the appetite for greater freedom among the village people. Before genuine decentralization, these people could perform several liaison tasks between the people in the villages and small towns on the one hand and the provincial, regional and national capitals on the other.<sup>4</sup> Decentralization of decision-making will deprive them of commissions and perquisites they are generally used to get from different groups of people in the localities. The politicians mentioned in this category may belong to national or provincial legislative bodies or to a dominant political party or parties in the country.

#### *Financing Local Development*

Perhaps the most powerful arguments against democratic decentralization are raised in terms of financial requirements of development. Money for local development is usually allocated for in national and provincial budgets as the villages and towns are supposed to have only very limited resources. Even if the latter are able to raise some local revenue, that is not enough to meet the requirements of the era of planning. Consequently, central aid or grants follow with the understanding that those who provide aid should have the right to control. It is an irony of public affairs that the national governments which insist upon the principle of "aid without strings attached" in their external relations, are not willing to follow the same principles in their relations internally. While the need for financial control may be there where resources are scarce, at times the aid is given for projects which have no use in certain localities. Besides, even in situations where the national governments are only giving loans to be repaid or where

they collect taxes from the localities and pay back only a fraction to the local governments, the latter are made to feel that they are at the mercy of the central government.

Another side of the coin is the reluctance of local governments to raise local revenue for developmental projects. This is all the more a problem where democracy is being introduced anew because the members of the local council do not want to tax their voters who may turn hostile to them in the next elections. This attitude makes the local governments become dependent upon higher levels of government for local needs. Very often in that situation local leaders take pride in their capacity to get more aid from higher levels than in their ability to raise local revenue.<sup>5</sup>

#### *Uniform Legislations vs. Local Problems*

Generally, reforms in local government and development are centrally directed. They tend to be brought under uniform legislations covering vast areas full of social, economic, cultural and political disparities. Even a nicely drawn out piece of legislation can look ridiculous in terms of the requirements of a particular area. Still, lack of ingenuity, tendency to imitate blindly, and lack of authority at lower levels make an area suffer under a well publicized and high-sounding reform. In this connection it is pertinent to warn ourselves, the participants of this conference, that while trying to provide a 'unified general pattern' for local government in the Arab world, it is important to bear in mind the need for recognizing the ecological variations not only among different countries, but also of regional disparities within each Arab country.

An experimental approach to local self-government and local development in selected areas in each country may be the starting point for long-term reform.

<sup>4</sup> See E. H. Valsan, *op. cit.*, p. 104.

<sup>5</sup> *Ibid.*, p. 228.

While the criteria for choosing such areas may be difficult to fix, once they are selected, it may be possible to produce good results. This does not mean that the rest of the world should stay still till the experiments are over. A stage by stage preparation for socio-economic development and for building political and administrative capabilities through systematic training will be necessary all over the country. Already, some Arab countries have gone through some of these stages due to reforms introduced in the sixties<sup>6</sup>. However, the road towards local development through local government seems to be full of stumbling blocks briefly mentioned in the earlier part of this discussion.

#### *Leadership for Decentralization and Development*

The question of leadership for local development under a nationally sponsored local administration system also implies certain dilemmas. How far can we expect national leadership to be really interested in local government to the extent of devolving enough powers to the local bodies? Even where policies of decentralization are declared from the top, how far can the political and bureaucratic leadership evince genuine interest in the development of local leadership which may deprive the national and provincial levels of their 'control' of the local areas? While answers to these questions will vary from country to country, certain assumptions based upon research done by the writer in India and the Philippines seem to have relevance to most of the developing countries. Those assumptions may serve as guidelines for discussion with special reference to the areas of our immediate interest and hence, are given below.

1. As local government reform and national development activities imply central initiative at this stage, it is important that those who are chosen to be political and bureaucratic leaders in the local

government ministries and departments should be people who are committed to these reforms and willing to make genuine experiments in true devolution of power. Unless there is a core of political and civil service leadership at the national level with faith in the goals and advantages of a truly democratic, decentralized developmental system, the policies which come out from the top are bound to be ineffective.

2. The leadership or the 'chief executives' at the national and provincial levels dealing with development and decentralization should be aware of not only the traditional mechanical or functional elements of public administration like the POSDCORB (implying planning, organization, direction, co-ordination, reporting and budgeting), but should be conscious of the importance of what has been called the dynamic elements represented in the Five 'I's viz., Information, Inspiration, Innovation, Introjection and Integration.

*Information* : Those who are trying to introduce local government reforms for development in the '70s are in an advantageous position in view of the volumes of information available on these topics. International and national concern and experiments in this field have yielded multiplicity of sources of information which can help the formulation of policies and their implementation. In one sense, this very conference is a centre of information. Besides, data from the field and the development of communication media between the centre and the field have added to the facilities available to the leadership. Growth of information sciences and general improvements in education and research have also helped. By including *Information* as one of the dynamic elements of development administration we suggest total awareness on the part of leadership about its importance.

<sup>6</sup> Local Administration System introduced in the UAR in 1960 is an illustration.

<sup>7</sup> E. H. Valsan, *op. cit.*, pp. 401-405.

*Inspiration* : The awareness of the importance of having inspired and inspiring leadership is essential for development administration and hence, for local governments as well. Elsewhere I have tried to elaborate the concept of inspiration looking at various possible sources of inspiration.<sup>8</sup> Here, it is enough to suggest that for democratic decentralization and development, it is not only enough to have an inspiring leadership at the top level, but there is need for what may be called a 'chain of inspiration', running through the national, provincial, and local levels and the individual citizens.

The concept of 'chain of inspiration' would imply the presence of men of genuine interest in local government and development at the provincial and lower levels as governors, mayors and village leaders. If the governors serve only the role of agents for the national governments, they will not be able to inspire confidence in the people and their very failure will make national governments become reluctant to devolve more power to lower levels. Here the role of the provincial councils and their leaders is equally important. The attitude of provincial bureaucracy is also important. Unless provincial level politicians and civil servants are inspired by the ideals of decentralization and local development, they are not likely to part with the financial and decision-making powers even if the villages and intermediate levels show capacity for self-government.

Chain of inspiration is important to eradicate corruption. Much is often reported and written about corruption in developing countries particularly among the bureaucrats. It is the studied view of this writer that bureaucratic corruption takes place more at the middle level than at the top or at the lowest level.<sup>9</sup> In

the absence of enlightened and inspiring leadership in the provincial councils, the provincial bureaucracy tends to become corrupt or inefficient. In most countries the leadership that emerges at provincial level is sooner or later tempted away to perform tasks of wider responsibility at the national level. This happens to the bureaucracy also. The result is mediocrity at the provincial level. The situation is worse at the sub-provincial or rural areas with the result chances for even sporadic emergence of leadership that can criticize and control provincial administration remain dim. The result is a chain of apathy which has to be converted into a vibrant chain of inspiration. This task implies the need to recruit and retain politically, socially and technically qualified people at all levels of government. Such men and women must be inspired with the ideals of the nation and with faith in the capabilities and potentialities of the localities to contribute towards the attainment of local and national goals.

*Innovation* : Informed inspiration can help creativity and innovation in many areas. Development administrators and local government reformers should try to introduce new ideas. It is easy to imitate the practices in other countries and areas. However, what we have in mind is intelligent imitation which will imply innovation when applied to a new area or institution. Information about new leaps in the area of technology and art of management as well as about various experiments in local government and development should make leadership at various levels become innovation-conscious regarding rules as well as their application.

*Introjection* : Awareness of the concept of introjection originally introduced by Professor Fred W. Riggs is of great advantage to those who are involved in

<sup>8</sup> E. H. Valsan, *op. cit.*, pp. 393-97.

<sup>9</sup> This idea was elaborated by this writer in "Development Bureaucracy : A Tentative Model", presented as a paper at the VIII World Congress, International Political Science Association, Munich, September 1970.

<sup>10</sup> Fred W. Riggs, "Administrative Development : An Elusive Concept", in John D. Montgomery and William J. Siffin, Eds. *Approaches to Development : Politics Administration and Change*, New York, McGraw Hill Book Company, 1966, p. 407.



development administration in local areas.<sup>10</sup> However, good some of the innovations may appear to be, it is the capacity to introject or to internalize selectively their values and goals that will help their success. A civil servant or an enthusiastic reformer may suggest a local body to introduce a new reform or technique. However, it is the capacity of the local body to select the most suitable aspect of that reform or technique and to test it in the locality that will ultimately help the locality. As mentioned earlier, many a reform in the area of development introduced blindly at the local level in obedience to the national government failed to produce results. Again, the felt needs of the people of the area and the awareness of those needs by the administrators can help the introjection of innovations in local government and local development.

*Integration* : All the while we have been talking about the need for adjusting the innovations to suit local needs and development. This emphasis upon the locality or the province should not be overdone at the expense of the integrated development of the nation or of the society itself. Leaders should be aware of the significance of having an integrated system of local government even where they introject ideas and techniques to suit local needs. Actually, introjection itself implies integration in the sense, the selective internalization of values and goals should accompany reforms so that disruptions in the society can be effectively avoided.

Awareness of the importance of integration can also help in the coordination of development activities and reforms in such a way that political, economic, social and cultural development are integrated together. Uncoordinated development in these areas can lead to disruptions or discontent in one field. For instance, mere devolution of political power to local bodies without giving sufficient access to economic resources can only lead to political agitation and social chaos.

Again, unless social values and attitudes of the community are taken into account, any reform in local development is likely to cause disruption to the society.

Our emphasis upon the dynamic elements or the Five 'I's supplementary to the functional elements or POSDCORB does not imply exclusion of any other elements vital to development and decentralization. This is just one way of emphasizing certain aspects which should be borne in mind by developmental and local government leadership.

*3. Training for Leadership* : In order to keep a vibrant chain of inspiration and an awareness of the dynamic elements of development administration, it is necessary to have person-oriented recruitment of bureaucratic and democratic leadership. This would require special attention of the political leadership as well as of the top echelons of the civil service. However, more important than recruitment is the need for continuous and effective training—both technical and ideological—at all levels. Training institutions in several instances turn out to be establishments which provide leisurely occupation and supply glossy certificates. After a year or two of operation, routine work takes over and at times even blurs the relationship between them and the field. Hence, nowhere is inspiring and innovative leadership more essential for effective implementation of local government reforms than in the institutes for local government training themselves.

Again, it is easy to get all kinds of materials for training from developed countries on techniques of training local leadership, bureaucracy and even about the training of the trainers. What is important, however, is to be able to institute training programmes and techniques which have relevance to indigenous conditions and which can instil the spirit of service for the community.

Ideological training and guidance in practical implementation should be emphasized along with the techniques of

collective endeavour in the running of co-operatives, local savings banks and other functionally specific areas of local management. Even in this respect, traditional customs and attitudes of the local community should be studied by the leaders in such a way as to utilize them to achieve maximum possible efficiency in their operations.

One mistake to be avoided in imparting training to villages and district level leadership is over-emphasis upon strict adherence to rules and regulations at the expense of local needs and development. However, good and legally sound the rules and regulations may be, so long as they emerge from or at the instance of national level policy-makers, there are likely to be disparities between what is legally prescribed and actually practised—a phenomenon known as 'formalism' in the academic circles.<sup>11</sup> We are certainly against violation of rules against the interest of the community. However, one comes across situations in development administration in local communities when the rules work against the interest of the society and still, it takes ages for them to be changed. Training programmes can emphasize the need for fresh thinking and timely action by local leaders in such

situations in the ultimate and immediate interest of the community, regardless of of legal intricacies which hinder development. Elsewhere, this writer has observed that such initiative implies 'positive formalism'.<sup>12</sup> In turn, it is the leadership capable of taking such initiative that will ultimately help localities acquire greater legislative authority. It will thus be the delicate task of the training institutions to impart a training that will help local leaders take dynamic action and initiative judiciously and in the interest of the community.

### Conclusion

Local government reforms in the developmental context certainly call for new laws and regulations. What is equally important, however, is to bear in mind the limitations of even the best possible legislations in a situation full of dilemmas and problems which come up during the stage of their implementation. Creation and retention of dynamic leadership capable of looking at reforms beyond the limitations of rules and regulations is essential for successful local government and nation-wide development.

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<sup>11</sup> Professor Fred. W. Riggs has used the concept of formalism in this sense in most of his writings on comparative administration. For instance, see his "An Ecological Approach : The 'Sala Model'", in Ferrel Heady and Sybil Srokes, Eds. *Papers in Comparative Public Administration*, Ann Arbor, Michigan Institute of Public Administration, University of Michigan, 1960, p. 21.

<sup>12</sup> E. H. Valsan, "Positive Formalism : A Desideratum for Development", *Philippine Journal of Public Administration*, Manila, January 1968, pp. 3-6; R. S. Milne, "Formalism Reconsidered", *Philippine Journal of Public Administration*, Manila, January 1970, pp. 21-30.

# CENTRALISATION OF MUNICIPAL SERVICES IN UTTAR PRADESH

Local self-government institutions in India, as elsewhere, have to depend upon a team of municipal personnel to carry out civic functions. It is accepted that municipal administration has not fully achieved the desired objectives. The reason attributed to such a situation is, among others, the defective municipal personnel system. By and large previously recruitment for municipal posts was done locally. The local bodies being free to recruit their own staff, considerations other than merit and fitness of candidates for the job dominated selection. There was a general lowering of standards and efficiency. A system of spoils was apparent. Rules regarding minimum qualification and age were often not adhered to. Other disquieting features were misuse of power and position. Laxity and indiscipline were imputed to inadequate promotional opportunities and low pay-scales. The reasons of sagging morale were in-built in the personnel system. There existed heterogeneity in the control of services. The controlling authorities at different levels were not properly lined.<sup>1</sup>

The reforms in municipal government have been slow and halting. Not that the people at the helm of affairs were unconcerned with local government affairs; but it was their preoccupation with important national issues that used to put a brake to continuous efforts. In the pre-independence period, the popular Congress Ministry in 1938, set up a Committee which recommended some measures aimed to ensure an efficient administration in local bodies. The Second World War and the great national upheaval gave a temporary set-back to the efforts. Some thought was given in 1957 but not much headway could be made. The pressure of opinion of various committees and the Conference of Local-Self Government Ministers largely resulted in the two amending Acts in 1964 in the State. Thus

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<sup>1</sup> U.P. Government Paper 1970 : *Centralisation of Municipal Services.*

Section 112-A and Section 69-B were added to the Nagar Mahapalika Adhiniyam, 1959 and Municipalities Act 1916, respectively.<sup>2</sup> These enabling provisions were introduced for creating common cadres for the two types of municipal bodies, viz., Municipal Corporations and Municipal Boards.

It will be recalled that prior to this amendment the urban local bodies in Uttar Pradesh had the following system of recruitment :

- (i) Direct recruitment of the Ministerial and other inferior staff;
- (ii) Direct recruitment with the approval of the State Government. It related to officers in the higher category and a few in the middle position, e.g., executive officers, engineers, education superintendents, etc.
- (iii) Appointment with reference to the State Public Services Commission, e.g., Upa Nagar Adhikari, Mukhya Nagar Lekha Parsikhak and posts carrying an initial salary of Rs. 500 per month or more.

The amendments introduced a new element in the scheme. The unified cadre of municipal services was introduced under the name of centralised services. Although this innovation fell short of provincialisation, it brought the specified services under State control. 'Centralisation' left the State Government free of commitment of disbursement of salaries and allowances to the officers belonging to these services. The existing liability of the local bodies toward their pay and allowances continued.

Even after the amendments of Acts, the Government waited for nearly two years to put them into effect. The U.P. Palika (centralised) Services Rules, came into force on July 9, 1966. It created nineteen Palika (centralised) Services covering seventy six categories of employees.<sup>3</sup>

In some cases one category of services was bifurcated into superior and subordinate services. The rules covered a wide range of posts such as Administrative, Engineering, Public Health and Sanitation, Public Works, Accounts, etc. It

<sup>2</sup> U.P. Nagar Mahapalika (Sansodhan) Adhiniyam, U.P. Act XXI and U.P. Municipalities Amendment Act, XXVI of 1964 :

112-A—*Centralisation of Services :*

- (1) Notwithstanding anything contained in Section 106 to 110, the State Government may at any time by rules provide for the creation of one or more services of such officers and servants as the State Government may deem fit, common to the Mahapalika or to the Mahapalikas and Municipal Boards of the State, and prescribe the method of recruitment and conditions of service of persons appointed to any such service.
- (2) When any such service is created, officers and servants serving on the posts included in the service may, if found suitable, be absorbed in the prescribed manner in the service.

69-B—*Centralisation of Services :*

- (1) Notwithstanding anything contained in Sections 57, 59, 65, 66, 66-A, 68 and 74, the State Government may at any time, by rules, provide for the creation of one or more services of such officers and servants as the State Government may deem fit common to all or some Municipal Boards or to the Municipal Boards and Mahapalikas of the State and prescribe the methods of recruitment and conditions of service of persons appointed to any such service.
- (2) Where any such service is created, officers and servants serving on the posts included in the service may, if found suitable, be absorbed in the prescribed manner in the service and thereupon the provisions of Sections 58, 67, 69, 69-A and 74, as the case may be, shall cease to apply to such officers and servants.

- <sup>3</sup> (i) U.P. Palika Administrative (Superior) Service
- (ii) U.P. Palika Administrative (Subordinate) Service
- (iii) U.P. Palika Medical (Superior) Service
- (iv) U.P. Palika Medical (Subordinate) Service
- (v) U.P. Palika Public Health (Superior) Service
- (vi) U.P. Palika Public Health (Subordinate) Service

(Continued on next page)

now covers the personnel spread over five corporations and one hundred fifty two municipal boards, under one rule. The State Government, under the delegated authority of rule making, empowered itself for regulating the recruitment, appointment, promotion and punishment, creation of posts and other conditions of service.

The rules streamlined the method of recruitment and entrusted the task to the State Public Service Commission. Now certain categories of service are to be filled by direct recruitment and others by promotion. In some others 50 per cent posts are to be filled by promotion.<sup>4</sup>

Even though the amending Act became operative by the end of 1964, the State Government did not proceed with centralisation with speed. In mid-1966, some urgency was perhaps felt and rules were finalised. The immediate impact of the enforcement of rules was large-scale transfers of senior officers. A number of Ordinances were promulgated to meet the legal issues raised in the Hon'ble High Court and to save the hastily framed rules from being struck down. This is

evident from the fact that these amendments were to have retrospective effect.<sup>5</sup>

The said rules were unsuccessfully challenged on one ground or the other through more than 45 writ petitions. Now four appeals are before the Hon'ble Supreme Court. The decision is awaited.

The rules provided that employees were free to opt for absorption. Out of over 1,500 employees covered under the scheme only 14 officers did not opt for absorption and 72 officers were found unfit by the State government. Thus 86 officers lost their job in the change over.

Efforts were made to collect some basic data about the personnel belonging to the centralised services. The State Government, too, were handicapped as they did not possess adequate information about these personnel. The question relating to seniority, promotion, maintenance of service-books and character rolls, operation of provident fund, increments, fixation of pay, confirmation, etc. were some of the matters coming up as a matter of routine to the State Government for decision. Of the 5 municipal corporations and 152 municipal boards

*(Continued from previous page)*

- (vii) U.P. Palika Veterinary Service
- (viii) U.P. Palika Engineering (Superior) Service
- (ix) U.P. Palika Engineering (Subordinate) Service
- (x) U.P. Palika Water Works, Electrical and Mechanical Engineering (Superior) Service
- (xi) U.P. Palika Water Works, Electrical and Mechanical Engineering (Subordinate) Service
- (xii) U.P. Palika Arboriculture (Superior) Service
- (xiii) U.P. Palika Arboriculture (Subordinate) Service
- (xiv) U.P. Palika Accounts (Superior) Service
- (xv) U.P. Palika Accounts (Subordinate) Service
- (xvi) U.P. Palika Audit (Superior) Service
- (xvii) U.P. Palika Audit (Subordinate) Service
- (xviii) U.P. Palika Education Service
- (xix) U.P. Palika Ministerial Service.

<sup>4</sup> U.P. Palika (Centralised) Services Rules, 1966, Rule 6.

- <sup>5</sup> (i) U.P. Ordinance No. VII of 1966, was promulgated on September 5, 1966 to make rules. The power to make a retrospective rule was limited to one year from the date of promulgation of Ordinance;
- (ii) U.P. Palika (Centralised) Services (Amendment) Rules 1966—with retrospective effect from July 9, 1966—The amending rule was enforced on October 10, 1966;
- (iii) U.P. Government Laws (Amendment) Act 1966 (U.P. Act 29 of 1966), incorporated the amendments made by the Ordinance. The rule making powers were to be exercised retrospectively upto September 9, 1967;
- (iv) U.P. Palika (Centralised) Services (Amendment) Rules 1967 of March 30, 1967—Amended sub-clause (III) of Rule 6(2); and
- (v) The above amended clause of Rule 6 was again amended by a Notification of June 26, 1967.

in the State, the two major corporations, viz., Kanpur and Lucknow and at least four municipal boards did not furnish the required information. From the information that could be collected for 1,117 officers, some interesting observations can be made. For the sake of convenience of the study four broad categories have been worked out by amalgamation of the 19 categories of posts covered in the rules. They have been designated as Administrative, Medical and Public Health, Engineering and others.<sup>6</sup>

Table I shows the number of personnel in different categories of services.

It may also be mentioned that about 11 per cent of the posts were lying vacant at the time of the enquiry.

Table 2 shows the educational qualifications possessed by these persons.

About one-third of the officers were graduates or post-graduates. Nearly one-fifth of the officers had simply high school education and about half of the officers did not go beyond intermediate.

With regard to educational qualification, as will be seen from Table 2, the largest number of post-graduate officers belong to the last category. This is because it includes the Superintendents of Education who alone account for 53 post-graduates. The educational qualification of the Vaidas and Hakims could not be ascertained. From the available information, there were at least 13 medical graduates in the Medical and Health Category.

Table 3 shows the distribution of officers according to their religion.

From Table 3, it is evident that about 87 per cent of the employees were Hindus, 11 per cent Muslims and others 2.2 per cent. Of the total urban population according to religion in the State, the Hindus constitute 68 per cent, Muslims 29.3 per cent, and others 2.8 per cent only.

Table 4 shows the tenure of services of the Centralised Service personnel.

It will be seen that more than half of the officers have put in more than 15 years of service and have also served in more than five municipal boards. About one-fifth of these have served between 5 to 10 years and nearly one-third have served in five municipal boards.

The data in Table 4 indicate that after the centralisation of services, the officers were transferred frequently and were posted in more than three to four municipal bodies.

The length of service of administrative heads who occupy key positions in the municipal bodies was also investigated. Table 5 shows the time spent by them at their desks.

It will be apparent that the executive wing has a fair experience of service. More than 60 per cent of the Executive Officers, 83 per cent of the Sahayak Nagar Adhikaris and 85 per cent of the Upa Nagar Adhikaris have put in more than 10 years of service. It will be safe to say that a renovation programme through in-service training course will positively increase their efficiency. It will be conceded that the training programme needs to have a well-thought out incentive scheme.

In this context, the age-group study of the officers presents an interesting picture.

Table 6 indicates the age of the officers.

It is evident that nearly two-fifth of the officers were of 40 years of age and above. More than one-fifth were below 30 years, a little above one-third were below 30 to 40 years of age. This aspect will have an important bearing upon the future recruitment and training policy of the State Government as nearly one-fifth of the officers are to retire within a decade.

The scheme of centralisation has been

<sup>6</sup> Others include personnel in the Accounts, Audit, Education and Ministerial Services.

**Table 1**  
**Number of Personnel in Different Categories**  
(as on 1-1-1971)

<i>Category</i>	<i>Number</i>	<i>Percentage</i>
Administrative	213	19.1
Medical & Public Health	364	32.6
Engineering	359	32.1
Others	181	16.2
Total	1117	100.0

**Table 2**  
**Educational Qualifications (Percentage)**

<i>Category</i>	<i>High School</i>	<i>Inter-mediate</i>	<i>Graduate</i>	<i>Post-Graduate</i>	<i>N.A.</i>
Administrative	10.3	11.7	55.4	18.3	4.3
Medical & Public Health	28.3	41.7	14.3	0.3	15.4
Engineering	22.9	32.7	7.8	0.5	36.1
Others	21.0	16.6	24.9	33.1	4.4
Total	21.9	28.9	21.7	9.1	18.4

N.A. = Not available.

**Table 3**  
**Distribution According to Religion**

<i>Category</i>	<i>Religion (Percentage)</i>			<i>N. A.</i>
	<i>Hindus</i>	<i>Muslims</i>	<i>Others</i>	
Administrative	81.7	16.4	1.9	—
Medical & Public Health	90.9	16.9	1.9	0.3
Engineering	84.7	12.2	2.5	10.6
Others	85.5	12.2	2.2	—
Total	86.3	11.3	2.1	0.3

**Table 4**  
**Tenure of Service in Years**  
**(as on 1-1-1971)**

<i>No. of Municipal Boards served</i>	<i>Length of Service in Years (Percentage)</i>				
	<i>Up to 5</i>	<i>5-10</i>	<i>10-15</i>	<i>Above 15</i>	<i>N. A.</i>
1	33.5	17.6	9.5	23.6	15.8
2	17.2	22.0	21.8	39.0	
3	14.5	24.7	19.4	41.4	
4	7.0	15.1	20.9	57.0	
5	6.5	29.0	25.8	38.7	
More than 5	—	50.0	16.7	33.3	
Total	22.2	20.5	16.4	34.5	6.4

**Table 5**  
**Length of Service of Administrative Heads**  
**(as on 1-1-1971)**

<i>Class of Posts</i>	<i>Length of Service (Percentage)</i>				
	<i>Up to 5 yrs.</i>	<i>5-10 yrs.</i>	<i>10-15 yrs.</i>	<i>Above 15</i>	<i>N. A.</i>
Upa Nagar Adhikari	—	—	14.3	71.4	14.3
Sahayak Nagar Adhikari	—	—	16.7	66.6	16.7
Executive Officer	16.5	19.0	17.4	43.0	4.1
Total	14.9	17.2	17.2	45.5	5.2

**Table 6**  
**Distribution According to Age**  
**(as on 1-1-1971)**

<i>Category</i>	<i>Distribution (Percentage)</i>				
	<i>Up to 30 yrs</i>	<i>30-40 yrs.</i>	<i>40-50 yrs.</i>	<i>Above 50</i>	<i>N. A.</i>
Administrative	5.6	27.0	27.9	34.4	5.1
Medical & Public Health	22.0	40.9	22.0	8.5	6.6
Engineering	38.9	31.9	12.0	9.0	8.2
Others	3.3	23.2	26.0	43.6	3.9
Total	21.2	32.5	20.6	19.3	6.4



criticised, mainly because it created problems of emotional and personal adjustment specially with persons in higher age-groups. The initial resistance to transfers was strong. Lack of accommodation at new places of postings and some other related factors contributed to this. It is also said that frequent transfers have adversely affected the initiative of the officers. Personnel of the public health and miscellaneous category have been greatly affected. The new officers often fail to receive the cooperation and obedience of the non-centralised staff. The latter generally look more towards the local President/Councillor than towards their officers. The line of command is thus broken.

However, centralisation has yielded some positive results. The scheme provides for mobility of personnel, which in itself is conducive to efficiency. The officers obtain varied experience which they can put to better use. The scheme provides for a greater degree of security of service and it has opened new avenues of promotion. The officers can work impartially and free from undue pressures. They have now the necessary environment

in which they can endeavour to ensure a clean and responsive city administration.

The centralisation scheme is a definite step forward in the direction of raising the morale of municipal officers. Some steps are still needed to draw the best of the managerial talent and reinforce the top management position by attracting new and young officers. Towards this objective, the creation of a State Municipal Service seems imperative. Some other areas which need consideration are fixation of qualification, rationalisation of the existing cadres and at least a reduction in their number, adequate pay scales, benefit of pension, housing and medical facilities.

The edifice of municipal administration will be strong if it stands on the secure tripod of continuous research, training and reforms. Human element is at the core of it. Dedicated work of the officers will help in attaining the objectives of local self-government and making it tangible. Municipal bureaucracy should now receive due recognition and it should be treated as an integral part of the civil service.



# SLUMS AND URBAN COMMUNITY DEVELOPMENT

An interesting but an undesirable feature of urbanization in India, is the imbalance between galloping urban population on the one hand and the decreasing urban area for habitation on the other. This is clear from 1961 census statistics. Accordingly, the urban area is found to be of the tune of 8.4 lakh acres, whereas the urban population is of the tune of 21 crores. In the cities comprising of 10 lakhs population and above the density of population per acre is 257. But incomplete contrast to this, cities consisting of 20,000 and above people, have a low density of 48 persons per acre.<sup>1</sup> Obviously this discrepant and disharmonious growth of the area and population of the cities has provided for an increasing pace of conflict-situation in urban India. Kingsley Davis, the noted demographer on India has concluded through his research that there is no possibility of a decreasing trend of density of population in India. According to his computations the population of India, in 2000 A.D. could be of the peak of 100 crores, while the population of Calcutta alone could reach the peak of 6.6 crores.<sup>2</sup> At this rate of increase of population the cities and the city dwellers are likely to be exposed to greater social and cultural disasters in their eco and life systems. Dense population, as is well known, creates in its train problems of housing, transportation, drinking water facilities, health amenities, neighbourhood sanitation, education, electricity and recreational facilities for the consumers.

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AND

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Slums are found in various parts of the world but their nomenclature is not uniform. In Calcutta, they are known as *Bustees*, in Bombay, *Chaals*, in Madras 'Cherrys' and in Delhi *Khatras* (Dangers). Slum situation and cluster like any other phenomenon vary from country to country mainly in details. The slums all over the world, however, exhibit

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<sup>1</sup> *Indian Journal of Public Administration*, Vol. XIV, No. 3, July-September, 1968, p. 613.

<sup>2</sup> Kingsley Davis : in Roy Turner's (eds.), *India's Urban Future*, Oxford University Press, p. 25.

fundamental similarities. Poverty, overcrowding, insanitation and ill health, etc., are some of the common but significant characteristics. It is the slum dweller that most attracts the attention of the social scientists. The slum dweller has some unique and special pattern of life as reflected in his attitudes and values indicative of social alienation, indifference to sanitation, lack of interest in development and crisis in self-confidence.

The American slum scene provides an interesting panorama for social observation. Twelve million people are found to be living in different types of slums, and majority of them are negroes excepting a negligible white minority.<sup>3</sup> In India, 7.60 per cent of the urban population lives in a variety of slum habitations. Seventy per cent of the Calcutta population has been reported to be living in different slums by N. K. Bose.<sup>4</sup> Another research study on Bombay has reported that 400,000 people, who constitute 18 per cent of the city population, are found to be scattered in 144 slums.<sup>5</sup>

Regarding the residents of slums, a fruitful typology has been developed by social scientists in America. J. R. Seeley has divided the slum users into four types :

- (a) Permanent necessitarians,
- (b) Temporary necessitarians,
- (c) Permanent opportunists, and
- (d) Temporary opportunists.

The first category includes those slum dwellers who have resigned themselves to live in the extant eco-cultural slum situations, on account of poverty and

'social discard'. The second category consists of relatively affluent slum-dwellers, who desire to extricate themselves from the slum situation, but are helpless to do so on account of various reasons. The third group comprises the social escapists who seek compulsive shelter in the slum, for the larger society is not prepared to incorporate their activities into the social organism. Most of them are social fugitives like the prostitutes, war criminals, homicidals and prize-headed burglars. The last group embraces the relatively nascent arrivals in the city who are strongly motivated to climb the ladder of social ascendance and are invariably activists and enthusiasts.<sup>6</sup>

In order to have a clearer and better appreciation of the slum dwellers, we must probe into their psychology and behaviour. Stokes, for instance, has classified slums into (i) slums of hope and (ii) slums of despair.

According to him, the 'slums of hope' consist of those slum dwellers who consider their stay in the slum as a temporary sojourn. The 'slums of despair', on the other hand, are characterised by slum dwellers who consider the slum as a permanent pathway of their life pattern and system.<sup>7</sup> The culture of slums has been studied by many social scientists. Based on his study of Mexican slums, Oscar Lewis enumerated 38 culture-characteristics of the slums. Some of the significant characteristics may be stated as follows :

"People unskilled; child labour; no savings; no food reserves in the home; pawning of personal goods; lack of privacy; much of alcoholism; frequent resort to violence; violence in the

<sup>3</sup> David R. Hunter : *The Slums : Challenge & Response*, New York, Free Press, 1968, p. 3.

<sup>4</sup> N. K. Bose, "Calcutta : A Premature Metropolis", in *Cities*, New York, Alfred A. Knopf, Inc., 1965, p. 60.

<sup>5</sup> Bombay Municipal Corporation, "Slums in Bombay", quoted from : A. R. Desai, S. Devadas Pillai (eds.), *Slums and Urbanization*, Bombay, Popular Prakashan, 1970, p. 158.

<sup>6</sup> John R. Seeley, "The Slum, Its Nature, Use and Users", *Journal of the American Institute of Planners*, Vol. XXV.

<sup>7</sup> Charles Stokes, "A Theory of Slums", *Land Economics*, Vol. XXXVIII, No. 3, August 1962, pp. 187-97.

training of children; wife beating; early sex experience; . . . A belief in male superiority; martyr complex in women; hatred of the police; mistrust of government; a cynicism which gives the culture of poverty a potential for being used in political movements aimed against the existing social order.”<sup>8</sup>

Clinard, who made a study of slums in many parts of the world has an interesting comment about the Indian slums and slum dwellers.

“ . . . the physical and social conditions of today’s Indian slums are generally considered the worst, and the most extensive, of any important country in the world. Although India is a large, heterogeneous country, whose diversity often makes generalization difficult, slum conditions can still be characterized in general terms . . . The Indian slum . . . is a way of life. . . Most slums dwellers are apathetic and suffer a great sense of futility. They have little community pride or even consensus, and they often blame the local authorities for their plight. They have become antagonistic toward them, seldom cooperating with municipal personnel in efforts to improve either the immediate area or the city as a whole.”<sup>9</sup>

### *Housing Conditions*

Slums are usually characterized by lack of proper housing facilities for the dwellers. A large number of people live in small huts and jhuggies sharing insufficient, but competitive space for the satisfaction of their bio-psychic needs. These homes are deficient in lighting, water, electricity and fresh-air amenities. Usually, the structures are dilapidated and dark. Bath room and latrine facilities are invariably inadequate. The density of population is the critical factor

that leads to these unfortunate conditions. It has been computed that 400,000 persons live per sq. mile of area in the Delhi slums. In Bombay 10 people commonly share one apartment of 10’ x 15’ size. Small cubicles are shared by the Hongkong slum dwellers on a shift basis. The slum dweller obviously lacks privacy and his life is like an open commodity in the market, exposed to the vagaries of natural and social climate. In certain cases this lack of privacy leads to premature sex exposure on the part of children. In later years, this tends to cause adolescent anti-social behaviour.

### *Insanitation*

Insanitation in the Indian slums is intolerably pervasive. Open drains, stinking garbage, contaminated water and mud pools characterize the slums. Since the basic civic amenities are often missing, the living pattern itself aggravates the insanitary situation. It is small wonder, therefore, that the slums are the breeding grounds of abominable diseases.

### *Ill Health*

In India the average life expectancy at birth, compared to other countries, is quite low. Even today infant mortality rate is quite high. Pregnancy deaths, diarrhoea, cholera, typhoid, tuberculosis etc. are prominently associated with the pathology of slums. Usually in the slum areas very few hospitals are located and medical amenities are scarce. This problem was discussed thoroughly with special reference to the American Ghettos and it has great relevance to Indian slums.<sup>10</sup> It has been found that many slum dwellers are not in the habit of inoculation against smallpox and cholera and also do not use preventive medicine on a substantial scale. They believe in indigenous system of medicine practised by untrained quacks and quick-rich adventures.

<sup>8</sup> Oscar Lewis, *The Children of Sanchez*, New York, Random House, 1963, p. xxv.

<sup>9</sup> Marshall B. Clinard, *Slums and Community Development*, New York, Free Press, 1966, pp. 73-4.

<sup>10</sup> See : John C. Norman (ed.), *Medicine in the Ghetto*, New York, Appleton-Century-Crofts, 1969.

A Delhi study reveals that 700 slum families out of the 827 interviewed were spending only Rs. 12 on family medical expenses per year.<sup>11</sup> Slum culture apart from disease incidence is also characterized by disease ignorance. Most of the slum dwellers are not aware of the causes of sickness and also their prevention and cure. This makes them vulnerable to a large number of contagious and infectious diseases. The slum children are generally bony, weak and diseased. This is because of the lack of proper intake of nutritious food and adoption of methods hygienic living.

### *Water, Light and Ventilation*

In many slums proper water facilities are lacking to meet the demands of the dwellers. Competition for drawing water from public taps leads to occasional individual and group conflicts. It has been estimated that in Delhi a single tap is used by 8 to 40 water consumers on an average and in some places as many as 500 people use a single tap.<sup>12</sup> Space around the tap area is usually unclean and contaminated, because many slum women clean their utensils at the tap. People bath and wash clothes under the tap creating a cesspool of dirty water. Sometimes the outside mud and garbage enters the inside tap and cause serious health hazards.

Most of the slums in Delhi, Bombay, Bangalore and Hyderabad, are cells of darkness and suffocation. Several of the houses are ill-lighted, dark and dingy, congested and deprived of fresh air. The use of electricity is too scant in these slum areas. At the individual as well as collective level there is no appreciable effort to seek for lighting amenities by the slum dwellers. Living in such situation, is naturally miserable.

### *Illiteracy*

A large number of slum dwellers are

illiterate and uneducated. They do not evince keen interest in adult education to improve their prospects. Their greater concern is for jobs and some means of livelihood. Literacy and education do not attract their attention significantly. This indifference towards literacy and education tends to be perpetuated, as the children behave in the same way as the elders. It has been found that slum localities suffer from lack of educational facilities. Even when the school is situated nearby, the slum dwellers look at the educational institutions with suspicion and fear.

### *Unemployment*

Slums in India are the active centres of unemployed people who "are emotionally disturbed, have little motivation and have low aspiration".<sup>13</sup> Job and occupational training opportunities are not usually within the reach of slum dwellers. Job deprivation is often the cause of socially deviant behaviour. In Bombay, Delhi, Bangalore and Hyderabad, many antisocial recruits like the pick-pockets, boot-leggers, gangsters, pimps and brokers of prostitutes and agents of 'blackmarket' are from the slums.

### *Recreation*

Recreational facilities for slum dwellers are very meagre and in most cases practically non-existent. The non-availability of public parks, children's parks, playgrounds etc. creates a problem in leisure utilization among the young and the old. Cultural centres, and community halls are also lacking wherein the slum dwellers could unite and share a festive evening with joy and gusto. Absence of recreational facilities and uncanalized cultural energy result in a sick body and restive mind. Frustration breeds indifference and inactivity and also the desire to do the undesirable. As a result the slum

<sup>11</sup> Clinard, *op. cit.*, p. 83.

<sup>12</sup> *Ibid.*, p. 86.

<sup>13</sup> Lee, Taylor : *Urban-Rural Problems*, Belmont, Dickenson Publishing Co., 1968, pp. 6-7.

dwellers consciously or unconsciously violate the prevalent norms of the society and emerge as antisocial bullies and leaders of gang culture.

### *Anomie*

Anomie,<sup>14</sup> as Durkheim pointed out, is socially disorganized behaviour. This is very prominent in slum areas and it manifests itself in different forms. Relatively speaking, the Indian slums are less infested with disorganized acts of social behaviour as compared to the Euro-American slums. Probably, family tradition, caste norms, neighbourhood controls are some of the instrumentalities through which the severe expression of deviant behaviour is being minimized here. The incidence of crime, prostitution, etc., may be less today, but there is a possibility of these phenomena progressively increasing with the rising tide of industrialisation and urbanisation.

### URBAN COMMUNITY DEVELOPMENT

The slum problems have been studied in depth by social scientists all over the globe and after great inputs of research and thinking, they have suggested that the urban community development programmes could be a potent and useful method to solve the problems of slum dwellers. It can also help in generating awareness, leadership and social resource development among the handicapped slum dwellers.

Community development as a process has the following elements :

- (a) development of local initiative,
- (b) spotting of local leaders,
- (c) full utilization of local resources for development,
- (d) self-initiative and organize cooperative activities among the people, and

- (e) popular participation in communitarian activities.

These elements form the whole complex of the community development idea.

Historically speaking, community development programme in India came into existence to improve and ameliorate the conditions of the rural masses. Since 80 per cent of the population live in rural areas, it was in the fitness of things that the community development programme was launched for rural uplift. But we cannot be smug and self-satisfied with the solution of rural problems only, for the gamut of urban problems is continuously increasing as a result of rapid urbanisation. Social scientists, planners and administrators, of late, have felt that the technique of community development could be applied successfully to the resolution of urban problems also. Although the philosophical basis of rural and urban community development is the same, there is substantial difference in the application of this technology to urban areas. To recall the observation of Sautoy:<sup>15</sup>

“... in rural community development the accent is on development, while in urbanised areas it may have to be placed on ‘community’.”

The need for urban community development and redevelopment may be analysed in terms of some significant factors : (a) Since urban development was not viewed as an integral part of planned development, there is a greater need of planned perspective development of the urban areas. (b) Urban administrative organization was conceived on mechanistic and centralized lines leading to a failure of fulfilment of popular needs. Hence, there is urgent necessity for urban community development programmes today. (c) The urban social

<sup>14</sup> For a detailed account of anomie, see, Marshall B. Clinard (ed.), *Anomie and Deviant Behaviour*, New York, Free Press, 1964.

<sup>15</sup> Peter Du Sautoy : *The Organisation of a Community Development Programme*, London, Oxford University Press, 1962, p. 46.

organization has become a complex of atomised physical and social units. Consequently there is a diffused feeling of indifference, despair and alienation among the urban dwellers, nullifying their creative and constructive talents.

It is not only amazing but also a matter of deep regret that urban development was not considered as a part of over all planned development and was left to the vagaries of social evolution. The discrepancy between rural and urban development was reviewed in depth by the Rural-Urban Relationship Committee which observed: "In the three plans, rural areas have been involved in national planning and development, but the urban areas have been, by and large left out of the mainstream of the developmental process. Certain financial assistance has also been made available to Panchayati Raj institutions which is denied to the urban areas."<sup>16</sup>

As urbanization increased, the process of centralization become intense, building inefficiency and corruption in the administrative organization. As a result the urban community welfare programmes were relegated to a formal and insignificant position. People too became indifferent to their social problems and adopted 'a dog in the manger' attitude seeking for deliverance through the official messiah.

In their discussions with the experts in administrative and academic fields, officials and public men, the Rural-Urban Relationship Committee noticed a sense of despair and lack of confidence in the capacity of the local bodies to tackle the problems that face towns and cities.<sup>17</sup>

In order to correct the negative and invidious atmosphere prevailing in the cities, the need for urban community development programme assumes greater significance. We have to devise these programmes in such a manner as to

ensure maximum welfare for the people.

With regard to these programmes, the response of the Government of India has been rather late. The universities and the social scientists too have paid their attention to this problem only recently. To be more precise it was only in the 1959 Seminar on Urban Community Development at Hyderabad that this programme had come to assume a vital importance.

In September 1958 the first urban community development programme was launched in India with the assistance of the Ford Foundation at Delhi. Under the management of Tatas at Jamshedpur and Ramakrishna Math at Calcutta, two more urban community development projects came into existence. In the first two five year plans, there is no extensive reference to the urban problems. It was in the third five year plan that a sum of Rs. 50 lakhs was allocated to start the urban community development projects on an experimental basis in some cities of India. The projects remained on paper and were not translated into action even during the Third Five Year Plan. The main reason was redtapism, delay and indecision. Later in April 1963 the Union Ministry of Health, Family Planning and Urban Development took up the issue in its entirety and appointed a Committee on Rural Urban Relationship to investigate into the phenomenon. The Committee in its interim report in 1965-66 recommended the launching of 20 pilot urban community development projects on an experimental basis. The expenditure of these projects was to be shared to the tune of 50 per cent by the Union Government and the remaining 50 per cent by the State Government and the concerned municipal corporations.

In September 1967 an urban community development project was started at

<sup>16</sup> *Report of the Rural-Urban Relationship Committee*, Volume I, Government of India, Ministry of Health & Family Planning, June 1966, p. 11.

<sup>17</sup> *Ibid.*, p. 109.

Hyderabad.<sup>18</sup> The project machinery to implement the programme consisted of a project officer, 4 female community organizers, 4 male community organizers, and a number of voluntary workers receiving a nominal monthly honorarium. The project was undertaken in the old city south of Moosy river. It is being carried out with zeal and enthusiasm by the urban community development project workers group. These officials before they entered into the field were given training at Baroda for three months in the technique and methodology of urban community development with an activist and social bias. The training has provided them with the necessary wherewithal of initiative, dedication and community organization. Ward No. 22 of the old city is the main focal point of their activity. The 'ward' for purposes of functional convenience has been divided into 8 blocks. Two community organizers—one male and one female are in charge of operations of at least two blocks in the area. The project area consists of 90,000 to 100,000 population, and the community organizers are supposed to cover the whole area blockwise. The Hyderabad project came into operation in December 1967 and subsequently by June 1970 two blocks of ward 17 were also included in the project area. The project area is infested with slums and blighted places.

The main objectives of urban community development programme in Hyderabad may be stated as follows:

- (a) To improve the local resource position for development.
- (b) To bring about awareness among the people regarding their felt needs and to spur ideas and methods of solving the problems.
- (c) To make people action-oriented through cooperative means of

organization without external involvement.

- (d) When external assistance becomes inevitable, to utilize this for the improvement in the socio-economic conditions of the people.
- (e) To develop harmonious relations between the urban administration and the people in order to ameliorate the individual and community conditions.
- (f) To help develop youth leadership at local and other higher unit levels.

With a view to fulfilling these objectives, the community organizers moved from ward to ward, and from locality to locality and discussed the felt needs of the people through individual and group meetings. They established a rapport with the people and helped in the removal of streaks of distrust, suspicion and fatalistic indifference. With gradual and concerted efforts, they gained the confidence of the people. They educated the urban dwellers that the improvement and rehabilitation of the living areas could be obtained with greater effort on the part of the people themselves. The organizers assured the people that they were always readily available to guide and direct and help the people to help themselves. It was stated that social participation alone could lead to improvement in social conditions of the slum areas.

In order to understand and analyse the progress recorded by urban community development project in this area, a number of interviews was held with organizers, voluntary workers and project officers. A small participant-observation survey was also taken to assess the impact of this programme on the people. This is only a trend report and the conclusions are of a tentative nature.

<sup>18</sup> For a detailed account of Hyderabad, see, *Urban Community Development Pilot Project*, Souvenir released on 26th January 1970 by Municipal Corporation of Hyderabad. Pamphlets and Brochures issued by the Hyderabad U. C. D. Project Office from time to time; and the Annual Reports of Municipal Corporation of Hyderabad, 1968-71.



In a particular locality some slum dwellers approached the organizers for medical assistance to get their sight examined and tested. With the assistance of the Lion's Club of Hyderabad, a team of ophthalmologists conducted the 'eye camp' in this area and examined the sight of the patients. Those who needed were provided with lenses the expenditure of which was partly shared by Lion's Club and partly by the Municipal Corporation of Hyderabad.

In another slum locality, there was acute shortage of water, because public tap water was draining out through a leakage in the pipe. The local people brought this to the notice of the community organizers. The organizers immediately responded to the issue and suggested representation to the concerned authorities drawing their attention to solve the problem immediately. The local elders and some young activists made a joint representation to the authorities and the problem was set right within no time. The speedy response of the officials was a happy surprise to the people.

In some localities, a few young men approached the organizers to help in solving their problems of unemployment. Most of them had meagre educational skills and, therefore, were not qualified for higher jobs. The organizers contacted the employment exchange authorities and helped the people in getting a few manual jobs in the Shalimar Biscuit Factory of Hyderabad.

In 1969-70 when the Telangana Agitation was widespread, most of the students in these localities were sitting idle and dissipating their time and energy. Some of these students approached the organizers to provide them with facilities to learn type-writing. As many as 24 type-writing machines were arranged in 4 centres of these localities and it is estimated that 240 students have been con-

tinuously using them to their advantage.

In another slum locality the rickshaw pullers complained of physical fatigue and mental exhaustion. They wanted to change their profession and learn auto-rickshaw driving. They also said that learning the auto-rickshaw driving in the market was very expensive because it would cost Rs. 100-150 per head, which they could not afford. The organizers sympathetically considered their problem and approached a mechanic who was owner-driver of an auto. With some financial subsidy from the Municipal Corporation, they ran the scheme of auto-driving training with a substantial reduction of the cost. Fifteen people completed the training at less than 50 per cent of the market cost.

Some of these illustrations are indicative of the successful drive of the community organizers in the project area. Apart from these, Vikas Mandals, Mahila Mandals, Balwadies, economic housing programmes, community halls and many other related activities were undertaken. As stated earlier, a deeper evaluation is yet to be made. The success of these programmes can be established only when we undertake a fact finding survey in the project area analysing the interrelated psychological, social, economic, administrative and political variables contributing to success or failure. The study would also be significant in the sense that the insights and leads provided by the research in this area could also be extended to other areas, contributing to a comprehensive urban community development programme in this country. Unfortunately the urban community development area has not attracted much attention of the social scientists in India. A deeper probe into this problem is necessary to make a proper evaluation of the programme and suggest corrective measures. This in turn will help the cause of scientific urban planning and development.

# THE WORKING OF THE STANDING COMMITTEE

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The committee system in local government is widely prevalent both in England and India. When the council's membership is large, the detailed supervision of municipal administration is undertaken by the committees. As the modern local governments are rendering a wide range of services, the committees are indispensable for administrative purposes. As the number of services performed by the councils increases and their work becomes more complex, committees will be increasingly required for administrative convenience. The purpose of committees is to lighten the pressure of council work, to provide efficient despatch of business and also to secure adequate control of municipal administration.

The present paper is concerned with the working of the Standing Committee of the Hyderabad Municipal Corporation. The Corporation consists of three bodies, viz., the Corporation (Council), the Standing Committee, and the Municipal Commissioner, and they are statutory co-ordinate authorities. The Council is mainly the policy making body which also supervises municipal administration in general. The Council appoints special committees and ad-hoc committees to deal with specific assigned subjects. The Standing Committee is the second statutory co-ordinate authority which deals with all financial transactions of the city government and closely supervises the day-to-day executive administration. The Commissioner is the executive head of municipal administration. He implements the decisions of the Council and the Standing Committee provided they are within the ambit of statutory powers. The position of the Standing Committee in the Corporation structure is unique. It is the solitary statutory Committee and such a powerful organ of the Corporation. Unlike the committees in British local government, the Standing Committee is independent of the council although its members are elected by the latter. Moreover, it is in sharp contrast to the provisions of

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Madras and Calcutta Corporation Acts where there are more than one statutory Committees. Another interesting aspect of the Standing Committee is its quasi-executive, quasi-legislative and quasi-judicial functions. As most executive responsibilities are concentrated in the Commissioner, the Standing Committee is a mechanism that maintains continuous supervision on behalf of the Council over the executive administration.

### *Composition*

The Standing Committee consists of 16 members who are elected by the Council from among its members. One-half of its members retire every succeeding year. The procedure for retirement is that the members who have served longest are made to retire in batches depending upon the length of period they have been members. In case of a member who has been reappointed, his term of office counts from the date of his appointment. The Council at its meeting held in the month preceding the date of retirement appoints fresh members of the Standing Committee to fill the vacancies. Any councillor is eligible for reappointment to the Standing Committee.

It is customary for various political parties represented in the Council to prepare a panel of names for purposes of election to the Standing Committee. Since the choice of members of the Standing Committee is based on majority vote, it becomes inevitable that the panel prepared by the majority party gets elected. Thus, all the 16 members of the Standing Committee can come from the ruling party. In practice, the Congress Party has been consistently maintaining its majority over a decade and a half. It has evolved a convention to vote into the Standing Committee a couple of members from the opposition parties, who are generally sympathetic and non-controversial in nature. Experience has shown that the ruling party has consistently chosen independents from the opposition, to be members of the Standing Committee.

### *Meetings*

The Standing Committee meets once a week for the transaction of its business. However, it meets more frequently and sometimes the maximum number of meetings in a month goes up to 7 to 8. The frequency of the meetings of the Standing Committee indicates that it is almost continuously in session. The agenda for each meeting contain on an average about 70 items which include both backlog of items transmitted to the current meetings and new items. In an ordinary meeting which is generally in session for 3 hours, the Standing Committee can consider on an average 15 items per meeting.

### *Powers*

The powers of the Standing Committee could broadly be classified into five categories, viz., (1) making rules and regulations, (2) delegation of powers, (3) financial powers, (4) powers relating to service matters, and (5) powers relating to acquisition and disposal of property.

The Standing Committee makes rules and regulations in respect of its meetings. It may appoint sub-committees and delegate some of its functions to them. The sub-committees confirm to the instructions that may be given to them by the Standing Committee from time to time. It also delegates to a Special Committee any of its powers and duties in respect of any matter with which such Special Committee is competent to deal. With regard to financial powers, it sanctions contracts for the amounts ranging between Rs. 5,000 and Rs. 50,000. With its sanction all the deposits and investments are made by the Commissioner on behalf of the Corporation. If the whole budget grant or any of its portions remains unexpended at the end of the year, in the budget estimate of which such grant was included and if the amount has not been taken into account in the opening balance of the Municipal Fund, the Standing Committee may sanction the expenditure of such budget grant or such unexpended

portion, during the next two following years for the completion, according to the original intention or purpose for which the budget grant was made but not upon any other purpose. The Municipal Commissioner prepares the estimates of income and expenditure in such form as the Standing Committee approves from time to time. As regards powers relating to service matters, it specifies the duties of the Municipal Examiner of Accounts with regard to the audit of accounts of the Municipal Fund. It appoints municipal officers and servants whether temporary or permanent whose minimum monthly salary, exclusive of allowances, is rupees one hundred or more but does not exceed rupees one hundred and sixty-nine. It is empowered to appoint municipal officers and servants immediately subordinate to the Municipal Examiner of Accounts and the Municipal Secretary, whether permanent or temporary whose minimum monthly salary is less than rupees one hundred. It may determine the number, designation, grades, fees and allowances of officers and servants to be immediately subordinate to the Municipal Examiner of Accounts and the Municipal Secretary. It may conduct an examination and audit of the Corporation accounts.

In the case of powers relating to acquisition and disposal of property, the Municipal Commissioner acquires the immovable property of the Corporation at such rates as fixed by the Standing Committee. The Commissioner may dispose of by sale or exchange any movable property belonging to the Corporation, the value of which does not exceed Rs. 500 in each instance, or grant for any term not exceeding twelve months a lease of any immovable property belonging to the Corporation, provided that the disposal and lease made by the Commissioner is reported to the Standing Committee within fifteen days. With its sanction, the Commissioner may dispose of by sale or exchange any movable property belonging to the Corporation the value of which

does exceed Rs. 5,000 in each instance, or grant any term not exceeding three years lease of any immovable property belonging to the Corporation. The Commissioner may lend or let out on hire any movable property belonging to the Corporation on such conditions and for such periods as may be specified in regulations made by the Standing Committee in that behalf.

By virtue of its financial and administrative powers, the Standing Committee has emerged as a powerful organ in the municipal government of Hyderabad. In practice, however, it has deviated from the normal course of duties in innumerable cases. For instance contracts involving an expenditure exceeding Rs. 5,000 and tenders involving an expenditure exceeding Rs. 5,000 require prior approval of the Standing Committee. But the legal provisions do not intend that the Standing Committee *suo-moto* can accord administrative approval to works on the proposals of the individual councillors or approve the tenders which are often not the lowest, without recording reasons in writing. Another surprising thing is that the Standing Committee resolved to acquire land belonging to private persons on the letters of individual councillors without getting the views of the Commissioner whether sufficient funds were available or not, whether the estimated cost of the land was correct or not, whether the proposed land to be acquired was suitable for the purpose for which it was going to be acquired. Moreover, it sanctioned funds for the acquisition of land without prior approval of the Council, even though the compensation to be paid was in excess of Rs. 5,000.

#### *Chairman*

The Standing Committee appoints one of its members as Chairman who holds office until his successor has been appointed. He is eligible for reappointment. The term of office of the chairman is one year. The chairman has to call a special meeting of the Committee within 24 hours

upon a written requisition signed by the Commissioner for the transaction of business which in the opinion of the Commissioner cannot be delayed until the next ordinary meeting of the Committee. The Chairman presides at the meetings of the Standing Committee and if he is absent, one of the members present as may be chosen by the meeting becomes the Chairman for the occasion. Every question in the Standing Committee is decided by majority vote and the Chairman has a casting vote.

The Standing Committee is juxtaposed with the Commissioner to effect better integration between the official and the non-officials involved in executive administration. Its control over municipal services and its powers of administrative and financial sanction and above all, its limited size has endowed it with the prestige of a cabinet. It is often described as a Municipal Cabinet with its members occupying the position of cabinet Ministers in the Corporation. But for his short term and the dominant Commissioner, the Chairman would have enjoyed the prestige of Municipal Chief Minister.

The fact that he is elected by the majority group indicates that he controls the dominant clique in the Standing Committee. Thus he brings to bear his influence on every major decision in the Standing Committee. His ideas, guidance and timely intervention in deciding controversial matters involving unending debate are his great contributions to the deliberative process of the Committee. The Commissioner gives due importance to suggestions coming from the chairman. However, there appears to be no worthwhile informal meetings between the Commissioner and the Chairman on various matters pertaining to municipal administration. Such meetings would have resulted in effective liaison between the Standing Committee and the executive wing which is so necessary for the smooth functioning of the Corporation. It is surprising that the Commissioner has not shown the necessary initiative in esta-

blishing closer personal contact with the Chairman and this failure is undoubtedly one of the causes for the lack of necessary understanding between the Commissioner and the Standing Committee.

The Chairman plays a significant role in the deliberations of the Council. He almost assumes the role of the Finance Minister on the floor of the Council while presenting the budget proposals and explaining and defending them. Besides, it is the responsibility of the Chairman to defend the decisions of the Standing Committee in the Council. The Chairman answers queries raised by the councillors and explains the issues in the Council meetings. The Chairman would have truly enjoyed the stature of a Prime Minister but for the presence of a more informed Commissioner in the meetings of the Council. In this respect, the Chairman and the Commissioner operate as "Competing Coordinators" in the deliberations of the Council.

#### *The Standing Committee and the Commissioner*

The Commissioner as the chief executive officer of the Corporation has very close relationship with the Standing Committee. Almost all administrative decisions and connected actions of the Commissioner require the ratification of the Standing Committee. All emergency actions which are independently taken by the Commissioner due to exigencies of circumstances need to be ratified by the Committee. When the Commissioner discharges his most legitimate duties of taking disciplinary action against any employee of the Corporation, the Standing Committee claims Jurisdiction to examine the issue. So that it appears that the Standing Committee has virtually, become the boss of the Commissioner. This, however, does not mean that the Commissioner has no independent jurisdiction of his own. As a appointee of the State Government, and as the custodian of established administrative norms and procedures, he maintains a position of distinct individuality.

Equally important is the fact that he gets innumerable opportunities to criticise the Standing Committee in matters of short-circuiting the procedure and possible violation of statutory provisions.

The Standing Committee which is primarily an operationally oriented body often finds the Commissioner standing in its way. The Commissioner armed as he is with vast administrative experience and disinclined to permit rash decisions is considered as an inhibiting factor in the functioning of the Standing Committee. This sort of attitude is understandable, as the Committee shares the executive authority with the Commissioner. Inevitably, therefore, the relationship between the Commissioner and the Standing Committee is one of the perpetual conflict, and experience has shown that the relationship is far from harmonious. No wonder, the councillors in the Standing Committee steal the slightest opportunity to question and censure the Commissioner on various matters pertaining to city administration. Although the Commissioner while preparing the budget proposals maintains unusual objectivity either in the choice of programmes or budgetary allocations, the Standing Committee has taken upon itself the job of modifying the proposals with rather inadequate justification. The Standing Committee seems to exercise authority more for the sake of it than for the needs of the situation. Sometimes, the increases and decreases in the budgetary allocations are done in a rather casual way by the Standing Committee.

✓ A study of the relationship between the Commissioner and the Standing Committee reveals that the latter makes constant inroads into executive administration nullifying the basic assumption of municipal corporation system about effecting a clear bifurcation of executive and deliberative wings as also insulating executive administration from political interferences. In fact, in the name of closer supervision by a compact body like the Standing Committee, the proponents of the

system, contrary to their expectations, have unwittingly created conditions of greater political interferences. Indeed, the existence of the body like the Standing Committee and its suitability in the municipal government deserve careful re-examination. As things stand, the Committee seems to be an anomalous arrangement inasmuch as it makes the Council almost redundant and the Commissioner ineffective.

### *The Municipal Examiner of Accounts*

The place of the Municipal Examiner of Accounts in the structure of the Corporation is rather peculiar. The Examiner of Accounts, as primarily a pre-audit authority, has been made subordinate to the Standing Committee which is, by the very nature of its functions, deeply involved in programme sanctions, and authorisation of expenditure. The subordination of the Examiner of Accounts to the Standing Committee is largely a product of historical accident. This arrangement has been left undisturbed in spite of repeated protests from the Examiner of Accounts. It defies even elementary sense of rationality to conceive of an arrangement which combines the two agencies with contradictory functions in superior-subordinate relationship. A study of the audit reports together with the innumerable objections of a very substantive nature by the Examiner of Accounts gives a detailed picture of the adverse consequences that emanate from irrational organisational arrangements.

The Examiner of Accounts has been showing, time and again, financial irregularities committed both by the Standing Committee as well as the executive machinery. It is strange that the Examiner of Accounts has to shoulder the responsibility of pointing out irregularities committed by the Standing Committee to which he is very much responsible.

In the scheme of arrangements obtaining in the Municipal Corporation of Hyderabad, the Municipal Examiner of Accounts can hardly function effectively

and with required objectivity. The Examiner receives numerous directions and instructions pertaining to keeping of accounts and conducting of audit both from the Standing Committee and the Council. This arrangement again introduces operational inhibitions in the effective functioning of the Examiner of Accounts. It is, nevertheless, true that the Examiner enjoys certain professional freedom because of the nature of the job he performs. But his objective functioning is virtually nullified by an irrational arrangement in the corporation system which keeps the subordinate personnel in his department subordinate to the Standing Committee. If the Examiner of Accounts is still able to function objectively, the credit seems to be entirely his own. There have been persistent demands from the Examiner that he be made responsible functionally to the Council on the analogy of his counterpart at the union level, *i.e.*, the Comptroller and Auditor General, who is answerable to Parliament.

#### *Conclusion*

It is significant that the election to the Standing Committee has been based on party system and majority decision in the

Council. In view of the importance of the Standing Committee, there has been a demand, from time to time, from the opposition members that the elections to the Committee should be based on proportional representation. There are two important arguments in support of the contention that the elections to the Standing Committee should be based on proportional representation. First, the system of election by 'ward' makes it highly desirable that every councillor ought to be given an opportunity, on a rotation basis, to take part in the decision-making process of the Committee. Scores of complaints have been made, time and again, that the majority party members are snatching away the civic benefits to their wards and localities. So that if election by ward is essential to facilitate citizen-representative communion, it seems logical that proportional representation should be introduced for elections to the Standing Committee. Secondly, a city like Hyderabad with a high degree of cultural heterogeneity involving different types of minorities should have proportional representation for the Standing Committee which decides most programmes of the Corporation.

# REFORMS IN MUNICIPAL ACCOUNTING AND AUDITING PROCEDURES

Well organised accounting and audit procedures in the municipalities are important as these lay the foundation for financial planning. Matching of functions with finances is not an easy job. Whereas the municipal expenditure is incurred throughout the year, necessary that a municipality should make arrangements for funds in such a way that the flow of funds is spread over the entire financial year. Thus the problems of matching of functions with finances finds its practical manifestation in the day-to-day accounting administration.

The present system of accounting and auditing procedures in the municipalities of India has become out-of-date in the context of their participation in the execution of Five Year Plans for development. In order to enable them to meet the new challenges in planning and in executing and controlling municipal activities, it is necessary that the system of accounting and auditing procedures is reformed forthwith.

At present the municipal accounting is done on cash basis. The system permits the accounts to be closed promptly and the results of working are brought before the public early. Even with these merits the system is liable to be abused in some cases. The municipalities can, by putting off the payments of certain bills or dues, can convert the actual deficit into surplus and hide the seriousness of the financial situation. Some of the municipalities have actually resorted to this practice and the result has been the virtual falsification of their accounts to cover up their financial inefficiency. An efficient audit can act as a check on such a practice.

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A well planned system of municipal accounting is financially beneficial both the municipalities and to the councillors for management purposes. Besides, the use of improved financial procedures leads to improved financial condition and

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therefore, large municipalities should make use of improved methods and techniques of accounting. In some Western countries, the municipalities even today make use of machine accounting and cost accounting as the basis for judging their efficiency and fix standards of cost for municipal services e. g., for cleaning the area, providing water etc. A good system of local accounting and audit procedure is not an end in itself; the end is to provide better municipal services.

The municipal accounts in Rajasthan are required to be maintained in the forms prescribed by the Government under Rule 10 of Rajasthan Municipal Accounts Rules. No deviation from these forms and accounts rules is permitted except with the special sanction of the State Government. The accounts are kept on 'cash' basis as distinguished from 'accrual' basis. Under the Accounts Rules the monthly, quarterly and annual accounts are to be prepared and got to be audited as prescribed under Municipal Act. The audited accounts are put before the board in the general meeting for final approval. A copy of the audited and approved accounts of the board is sent to the State Government. Usually all moneys received or expenditure incurred by the boards or on behalf of the boards are brought in the books under the direct supervision of the Executive Officer and amounts are to be deposited in the treasury on the next working day positively.

#### *Need for 'Accrual' Accounting*

In order to make accounting and audit procedure more effective and to present an accurate picture of financial position of a municipality, the income and expenditure may be recorded by the municipalities on the accrual basis. This can be done by not allowing an obligation to be incurred by any department until the accounts department has recorded on its books and allotted funds. Thus it will be ensured that no expenditure is made exceeding the provisions for it in the

municipal budgets. Moreover, it will enable the actual expenditure or income of the year to be compared with the budgeted income and expenditure.

However desirable the use of accrual basis of accounting may be, the states in India prescribe only cash basis of accounting for both municipal revenue and expenditure. The use of full accrual accounting is more nearly an exception than the rule at the moment. At present the municipal accounts cater more to the needs of the law and audit than to the promotion of efficiency and needs of municipal government. This shift of emphasis, therefore, is essential, and it is suggested that the State should prescribe the accrual basis of accounting for the municipalities in Rajasthan.

#### *Separating Capital Accounts from Revenue*

At present no distinction between capital and revenue accounts is maintained in municipal accounts, except in the States of Bombay and Tamil Nadu, where it is practised in Water Works Accounts only. The separation of capital from revenue accounting is essential as it will enable the computation of true cost of rendering a service, help in price fixing and guide in choosing the method of financing expenditure.

To make a distinction between capital and revenue items of income and expenditure is not easy. Even Courts have failed to give a satisfactory test by which capital receipts and expenditure may be distinguished from revenue receipts and expenditure. Decided cases on the issue are only illustrative. Yet the following generalisations are useful as they help in distinguishing capital income and expenditure from revenue income and expenditure:

1. A receipt from fixed assets is a capital receipt; while a receipt from circulating capital is revenue.
2. A receipt in substitution of source of income is capital; while it is

revenue if received in substitution of future payments.

3. If property is held as investment then receipts from its sale are capital receipts but when it is kept for the purpose of selling it, then the sale proceeds are revenue receipts.

Similarly in the case of expenditure :

1. Expenditure for acquiring benefit of enduring nature is of capital nature.
2. Expenditure for redeeming a capital liability is of capital nature.
3. Expenditure on acquiring capital asset is of capital nature; while it is revenue when done on circulating capital.
4. Expenditure on extension or replacements of a business is of capital nature.

It is, therefore, suggested that the distinction of capital and revenue accounting be introduced in the case of municipal remunerative enterprises forthwith, with the ultimate object of extending it in all spheres of municipal services.

#### *Introducing Accounting Machines and Cost Technique*

The use of machine accounting and costing technique though unknown to Indian municipalities, is profitably used by the municipalities in the West. Operating costing is employed in connection with municipal services viz., street lighting, cleaning, refuse collection and disposal, transport and other similar social services. Job costing is used in construction works.

The introduction of machine accounting in municipalities will reduce labour and costs, besides saving time, ensuring accuracy and minimising the chances of fraud. Machines which can be profitably used are punches, verifiers, a reproducer, a sorter, a collector and a tabulator. In India, in the case of small municipalities,

the adoption of machine accounting and cost technique is uncalled for at present, but in the case of large-sized municipalities machine accounting and cost techniques can be profitably employed to maximise the benefits from expenditure.

#### *Internal Check and Internal Audit*

The term "internal check" means a system under which the work connected with the carrying out and recording of transactions is so allocated among the various members of the staff that errors and fraud are either prevented altogether, or if perpetrated are rendered capable of early detection by the automatic operation of the system. The principles on which such a system is founded are a carefully conceived sub-division of duties and the division of every record into a number of stages, each to be performed by a different person. In many cases the system can be supplemented by mechanical devices, the use of which reduces the risk of errors and frauds.

Internal check, therefore, ensures that municipal taxes received both at the municipal office and through the post office are accounted for and proper receipt is given to the depositor on the prescribed form. Entries are made also in the demand and collection register. This can be ensured by assigning duties to all concerned in a definite manner.

The Rajasthan Municipalities Accounts Rules, 1963, provides sufficient provision for internal checking. It provides for (a) specific duties of the various officers and employees concerned with the financial matters; (b) maintenance of a number of registers for financial matters and mode of their checking; (c) keeping of the costly belongings of the board in the strong room of the treasury under double lock system—the keys of which should remain with the Chairman and the Executive Officer; (d) a procedure for remission of taxes, losses, refunds and other financial matters to guard against malpractices.

The executive officer of the municipality should see that internal check is in force in the accounts department to guard against the waste, loss of public money and stores as provided in the Rajasthan Municipalities Act, 1959. Embezzlement of municipal funds is to be brought to the notice of the controlling authority and the Director of Local Bodies as well as to the Examiner of Local Fund Audit, who takes steps to recover the loss and punish the offender.

An 'internal audit' is a review of operations and records undertaken within a municipality by specially assigned staff. The main objective of an internal audit, as far as accounting matters are concerned, is to assure councillors that the internal check and accounting system are effective in design and operation. Internal audit is part of the whole system of internal financial control; but is not an integral part of the internal check or the accounting system. Some municipalities also provide internal audit of their account books to ensure that the transactions are recorded properly and are according to budget provisions. It is usually carried out simultaneously with accounting and for this purpose separate staff is employed by the municipalities. The Local Finance Enquiry Committee pointed out the necessity of employing internal auditors, for individual municipalities, and if not possible one internal audit party for the whole district. Internal audit is practised by a few municipalities in Rajasthan. Whereas a pre audit has made internal audit superfluous in the case of municipal councils<sup>1</sup>; it has not lost its importance in the case municipal boards<sup>2</sup>, where introduction of internal audit or pre-audit is urgently needed.

#### *External Audit of Municipal Accounts in India*

External audit is the final phase in the long sequence of financial control; it

performs "in the financial field the same functions as the police in the maintenance of law and order."<sup>3</sup> It is the duty of the auditor to examine and certify the accounts with relevant documents and should see whether the principle of economy, regularity and sanctions are observed in the conduct of financial affairs. He should not only point out the mistakes but also help and guide the staff in the proper performance of duties.

The responsibility of auditing account books of municipalities rests with the State Government. The Government should see that not only the tax payer's money is best utilised but it is not mis-used also; and for this purpose the government, auditors should examine whether the amounts received are duly received, credited to the proper head, and are lodged with the nearest treasury at the earliest. As regards expenditure, their main duty is to see that payment is made after proper sanction and the provision for funds in the budget exists. An auditor has the right to disallow any expenditure, which is contrary to the provisions of the Act and is not provided in the budget. He can also surcharge the person responsible for unauthorised expenditure and can recommend the recovery of the loss suffered by the municipality. But the disciplinary action against an individual can be taken by the executive alone.

The audit procedure of municipal accounts varies from State to State. Where the municipal account books are audited by a special agency created for the purpose by the State Government, generally its head is known as the Examiner of Local Fund Audit; while in others the audit of municipal accounts is done by the Comptroller and Auditor General of India.

In some States, along with the post-audit, the pre-audit or concurrent audit is also in existence. Under the pre-audit

<sup>1</sup> Cities with a population of 50,000 and above have Municipal Councils.

<sup>2</sup> Towns with a population of between 8,000 to 50,000 have Municipal Boards.

<sup>3</sup> Local Finance Enquiry Committee Report, 1954, p. 333.

system. payment can be made when it is passed or approved by the auditors. In the concurrent system, the audit is done just after the payment or the income has been received. But in most cases the system of post-audit exists, where the detailed checking of income and expenditure is done at the end of the year.

### *Municipal Audit Procedure in Rajasthan*

Prior to November, 1953, the responsibility of auditing the account books of municipalities in Rajasthan rested with the Comptroller and Auditor General of India, and were audited by the Accountant General of Rajasthan. But after this date, as the Comptroller and Auditor General of India was not held responsible to conduct the audit of municipal accounts under the Constitution of India, the State Government entrusted the job to the Local Fund Audit Department and the Finance Secretary to the Government of Rajasthan has been empowered to control and supervise the Local Fund Audit Department. The Office of the Local Fund Audit Department is located at Jaipur. It has five range offices at Jaipur, Ajmer, Jodhpur, Bikaner and Udaipur. Every range office functions under an Assistant Examiner, assisted by inspecting superintendents, auditors and junior auditors. Audit of municipal accounts is done by inspection parties consisting of an inspecting superintendent, three auditors, and a junior auditor, in accordance with Section 279(3) of Rajasthan Municipalities Act, 1959 and the Local Fund Audit Act, 1954 and Audit Rules made thereunder. Auditors, in addition to their audit report of municipal account, may sometimes submit suggestions to the State Government for improving the accounting and audit procedure of the municipalities.

The audit of accounts of municipalities is carried out by auditors during office hours after giving advance notice of about two weeks. Generally a complete audit of accounts of a year preceding the date of the audit is done, unless otherwise

directed by the Examiner to conduct simply a test audit. The Examiner, in addition to a regular audit, may also order a special audit to be conducted of the accounts of a particular municipality at his own discretion or at the request of the controlling authority. For this purpose he may form a special audit party. On the discovery of a fraud or an embezzlement in accounts, the auditor is required to report confidentially in writing to the chairman of the municipality and simultaneously to the Examiner as well.

Audit report is prepared in two parts, Part I contains important irregularities and Part II gives the information required under Section 9 of the Rajasthan Local Fund Audit Act, 1954. It is submitted to the Chairman or to the executive head of the local authority with a copy to the Director of Local Bodies for information. The Chairman or Executive head then sends a report of compliance to the Examiner, with a copy to the controlling authority who forwards the report with remarks to the Examiner. The Examiner thereupon either withdraws the objections or directs that the matter be reinvestigated at the next audit or at an earlier date.

In cases of negligence or misconduct the Examiner is expected to suggest whether the person concerned can be surcharged or not. The controlling authority, after examining the explanation of the person concerned or making an inquiry, has a right to surcharge the person making or authorising illegal payments.

At present in municipal audit, the emphasis is more on regularity and only very indirectly on economy, which is looked after by the executive branch of the municipalities. If the audit is to become more meaningful, and has to play a more effective role in improving the working of municipalities, it is suggested that routine objections should be settled on the spot by seeking elucidation

from the concerned person and only the serious ones should be raised.

### *Pre-Audit in Rajasthan Municipalities*

The post audit points out irregularities when these have already been made thus making remedial action difficult. To remove these drawbacks the procedure of concurrent audit was introduced from 1st January, 1962 in municipal councils of Jaipur, Udaipur and Ajmer as an experiment. It was certainly an improvement over the post-audit as it enabled an auditor to audit the transactions as these took place; but still it was felt that the system was neither comprehensive nor searching enough. The Government of Rajasthan, therefore, introduced the system of pre-audit in the above three councils with effect from April 1, 1963 and later extended the system from 1st March, 1964 to all the remaining municipal councils, viz. Alwar, Bikaner, Beawar, Ganganagar, Jodhpur, Kota and Sikar.

Under the pre-audit system, municipal income is checked once a month and the municipal commissioners (executive officers) are made responsible to see that the entire income is entered in the Cash Book and sent to the treasury or bank on the same day, or at the latest on the next working day. Remission of taxes is examined thoroughly to prevent leakage of revenue. Further, it is ensured that no demands are being omitted and all possible sources of revenue have been tapped by the council. Suggestions for improvement of collection of revenue are made and communicated separately to the municipal commissioners.

Pre-audit is also conducted under the supervision and direction of the Examiner of Local Fund Audit Department, Rajasthan. The cost of audit is borne by the municipal councils. Since expenditure is earmarked for the correct budget head, the pre-audit system leads to the establishment of an efficient system of budgetary control. In the case of difference of opinion between the Assistant Examiner and the

Commissioner over the nature of an item of expenditure or its admissibility to the correct budget head, the decision of the Examiner is final. In urgent matters, bills are passed provisionally and the objections are required to be set right by the time of the post-audit. The pre-audit personnel also tender advice on accounting matters and help to bring about the accounting system on a sound footing.

It is, therefore, suggested that the system of pre-audit prevalent in the municipal councils in Rajasthan be gradually extended to the other classes of municipalities. Pre-audit is also not free from drawbacks, but these can easily be removed if qualified staff is appointed and audit procedure is simplified. Secondly, powers of sanctioning larger amount should be given to the councils. Thirdly, they should not only see that rules and regulations in connection with audit procedure are followed but also help the accounting staff and other municipal staff in discharging their job efficiently by giving them timely advice.

### *Irregularities as Pointed out by the Examiner*

In spite of so many checks prescribed, and practised serious irregularities are detected by the Examiner of Local Fund Audit at the time of the post-audit in all classes of municipalities. The following irregularities are cited as examples from the audit report of the Examiner of Local Fund Audit, Rajasthan, for 1959-60.

In the case of Ajmer Council not only the arrears of house tax increased because of inefficient collection machinery, but the fines and feeding charges of stray cattle were not realised. Whereas loans to the tune of Rs. 18,47,725 were outstanding at an interest rate from  $3\frac{1}{2}$  to 5 per cent, the council made investments at  $2\frac{1}{2}$  per cent to the tune of Rs. 13,50,224. Moreover, many investments were not renewed on due dates resulting in loss of interest.

Similarly, in the case of Alwar Council, receipts for certain collections were not issued and loans were not paid on due date in spite of cash in hand. Moreover, income from 'exhibition' was spent without being shown in the cash book and rents were remitted without obtaining the government sanction. The stock register was also not kept up to date and many irregularities were discovered in it later, *viz.*, over writing, not writing off unserviceable articles, etc.

In the case of Bikaner Council the non-renewal of licences and non-realisation of tax and rent resulted in loss of revenue.

In the case of Beawar Council, the maximum expenditure was incurred in the month of March.

Kota Council avoided government sanction by splitting an expenditure in nine instalments of Rs. 5,000 each. In the case of Jaipur Council, arrears of taxes increased and irregularities were found in the Cattle Pound Register and also in the disposal of Cattle. Demurrage charges on cement, tractors and trolleys were paid. Cost of demolition of unauthorised construction was not recovered from the parties concerned. There was excess of liabilities over assets and the advances to the tune of Rs. 1,37,307 were outstanding.

In the case of Jodhpur Council, the arrears of taxes increased. Internal check was not introduced in spite of audit objections. Renewal of licences was not made; the amount of sale of land was spent in meeting the day-to-day expenditure and stock articles were not physically verified.

Among Class II municipalities, Bhilwara Municipality spent an amount of Rs. 17,317 on receipt without prior sanction of the government. Bundi Municipality did not realise the licences of the

sale of land after the withdrawal of the power of sale of land by the State Government from the municipalities.

In Class III municipalities embezzlements were committed by clerks and store keepers in some instances. In one case, expenditure was made without any budget provision and purchases were made without calling tenders.

In the Class IV group, Chhotisadri Municipality gave loans to members which remained unadjusted for long. In Jaisalmer, capital works were undertaken without the consent of the government. In Jhunjhunu, the grant given for development purposes was misused. In Kapasan, the licence fee was not realised and amount on ceremonies was spent without government sanction. In Kuchaman City, the board spent money on the sanction of a member who had no financial powers. In Kama, money was spent on a fair without government sanction.

Bandikui Municipality, in the Class V group, made irregular payments. Banswara Municipality sold land in contravention of government orders. In Bagar, octroi rates were reduced without government sanction. In Bhinasar, amount of provident fund was not deducted from the salaries of the municipal staff. In Chhabra, a fine of Rs. 1,740 for food adulteration was not realised. In Chirawa, a sum of Rs. 15,000 was outstanding in respect of the house tax and the shop tax was not at all realised. Grants for capital works were also misused. In Deogarh, the licence fee was reduced without the government sanction. In Karauli, Food Adulteration Act, in spite of government sanction was not introduced, thus causing a loss of revenue to the tune of about Rs. 2,500. In Kotputli, an irregular payment for the purchase of sweets for the members of the board was made.

All the above irregularities suggest that audit practices and the financial

accounting procedures should be further strengthened and streamlined. The councils and municipalities should attach considerable importance to the report of the Examiner of Local Fund Audit. The

State government should, in turn, give suitable and timely guidance to the municipal authorities in order that they might evolve a sound system of financial administration.



# REMOVAL OF MUNICIPAL CHAIRMAN : CASE STUDY IN RAJASTHAN



HOSHIAR SINGH SIHAG\*

The Chairman is the pivot of the whole municipal administration in Rajasthan. The Rajasthan Municipal Act, 1959 provides that the Chairman will be elected by a majority from amongst the members of the Municipal Board. The Chairman can be removed from the office by two methods : first, by the State Government on some specific grounds and second, by a vote of no-confidence. Here we shall analyse the second method only.

## *The No-Confidence Motion*

In Rajasthan a special procedure has been prescribed for moving the no-confidence motion against the Chairman and vice-Chairman. A written notice of intention to move a motion of no-confidence signed by at least one-third of the total number of members together with a copy of the motion is required to be sent to the Collector. To consider the motion, the Collector convenes a meeting which is held at the office of the board on the date and time appointed by him, which should not be earlier than twenty or later than thirty days from the date of the receipt of the notice. The Collector informs all the members by registered post not less than seven clear days before the date of meeting. The Collector then nominates some officer to preside over the meeting. If within half an hour of the time appointed for the meeting, his nominee is not present or if such authority is unable for any unavoidable cause to preside over the meeting,<sup>1</sup> the

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<sup>1</sup> It is interesting to note that sometimes presiding officers take leave on the very day of no-confidence motion. For example, in the case of Mandawa Municipality in Jhunjhunu District, the presiding officer went on leave one day before the fixed date.

In case of Fatehpur (Shekhawati) Municipality the presiding officer, S. D. M. Fatehpur, was called away from district headquarters when the motion of no-confidence against the chairman was to be voted. The matter was raised in the Rajasthan Legislative Assembly and Mr. Bhairon Singh (MLA, Jan Sangh), alleged that the Government had succeeded in giving a fresh lease of life to the Chairman who was a Congressman. (Proceedings of the Rajasthan Legislative Assembly dated 5-4-1961), pp. 6757-6705.

This danger was expected by P. K. Chaudhary (MLA Congress) when the Bill was being discussed in the Rajasthan Legislature. He moved an amendment that in case the presiding officer did not turn up, the members should choose one from amongst themselves. P.R.L.A. dated 2-12-1958, pp. 4772-4778.



meeting stands adjourned to the date and time to be appointed and notified to the members later. Except for the absence of the presiding authority, a meeting convened for the purpose of considering the motion under this section cannot for any reason be adjourned. Only members who are qualified to vote on the day of no-confidence motion can censure the Chairman, and members who are not qualified to vote have no right to censure him and they are not even allowed to vote.<sup>2</sup> A four-hour limit is allowed for discussion and the meeting is to be concluded that very day and after the expiry of four hours (or before that time), the motion is to be put to vote. The Collector or his nominee has no right to speak on the merits thereof nor vote thereon.

If the motion is supported by a 'majority' of the total number of members, the Chairman has to vacate his office immediately. If it fails, no fresh motion of no-confidence can be brought against the Chairman for a period of 6 months.

The procedure as laid down in the Act clearly indicates that the Legislature has tried to strike a balance between two principles. First is the basic principle of democracy that a holder of an office like that of the Chairman (or Vice-Chairman) should remain in office only as long as he enjoys the confidence of the house *viz.*, the Municipal Council.

The second principle is that the continuance in office of the Chairman (or Vice-Chairman) who has also to perform the important duties as head of the municipal board should not be made to depend on fleeting vagaries of the members of the board. Thus, on the one hand while the Legislature has made ample provisions for testing whether the Chairman (or Vice-Chairman) enjoys the confidence of the members of the

municipal board, on the other hand, it has also thought fit to provide safeguards against the moving of motions of no-confidence, and for this certain conditions have been laid down. The first safeguard is that the motion of no-confidence can be moved only when a certain number of members of the municipality signify their assent to it, and the other safeguard lies in the provision that once a motion of no-confidence is lost in a meeting, another similar motion cannot be moved before a period of six months.

According to the Act, a simple majority is enough to dislodge the Chairman (or Vice-Chairman) from his chair, which seems reasonable. The term of office of the Chairman (or Vice-Chairman) is 3 years (now 5 years) in Rajasthan. Powers and functions conferred on him by the Act have raised the office to a greater significance. A simple majority for his removal is a check on him if he fails in the performance of his duties or tries to misuse the powers vested in him. Its defect is that the Chairman will devote most of his time to pleasing the members to keep himself in power.

The following four cases clearly explain how and on what grounds the Chairman is removed by a no-confidence motion.

#### *Case of Jhunjhunu Municipality*

A no-confidence motion against the Chairman of Jhunjhunu Municipality was brought on August 20, 1968. The motion was moved by seven members (a bare one-third required under the rules) of the municipal board. But on the next day, one member, who had signed the no-confidence motion, withdrew his name in writing and stated his full confidence in the Chairman. The Rajasthan Municipal Act, does not specify whether a

<sup>2</sup> In the case of Mandawa Municipality in Jhunjhunu District, this provision was misused by suspending two members at the eleventh hour when they were going to vote.

It was also misused in the case of Bidsar Municipality in 1963. See for details, "The Enquiry Report of Bidsar Municipality District Churu, 1963, by Assistant Director, Local Bodies, Rajasthan, Jaipur, 1963."

signatory in a no-confidence motion can withdraw his name or not. As the Act does not visualise this situation, the Collector decided on the ground of fairness and natural justice that this application (withdrawal of the name from the no-confidence motion) was not maintainable. He fixed September 12, 1968 to discuss the motion. He nominated the Assistant Collector and Magistrate first class, Jhunjhunu, to preside over the meeting. Later on, the withdrawing member, wrote to the Collector to cancel the meeting on the ground that by his withdrawal, the number of members who supported the motion was reduced to less than one-third. In support of his contention he quoted a High Court decision on a similar issue in the case of Rahmat Lal vs. Collector, Sawai Madhopur.<sup>3</sup>

On this application the Collector wrote that since the judgment of the High Court was brought to his notice only on September 12, 1968 when the meeting had already been held, he did not consider it necessary to pass any order on it. On the fixed date, the presiding officer informed the Collector, Jhunjhunu, in writing that not a single member was present at the meeting. He waited for half an hour and in the absence of quorum, proceedings were not conducted. Under the circumstances the motion was regarded as lost.

Here certain questions arise. First, can a member who once signs a no-confidence motion notice, withdraws subsequently? Second, if a member withdraws his name and the minimum number required for no-confidence motion falls short before the meeting, what should a Collector do?

The answer to the first question is that if a member who signs the notice on the motion of no-confidence wants to withdraw, it should be undoubtedly open to him on any date, prior to any action

being taken by the Collector. "Names can usually be withdrawn from petitions filed with municipal authorities before the authority charged with final action has acted."<sup>4</sup>

The power to withdraw one's signature from a petition or motion is an important right and one which should not be taken away from the signatory without good cause. Without this power to remedy an impulsive act (the action of signing a no-confidence motion) it would serve as a trap for the unwary. It would also present the reflection of the true feeling of the withdrawing member keeping in view the larger interest of the community. He can withdraw his name before any action has been taken thereon. The position would be different if the stage of the notice of motion has passed and the motion has come before the house which has to deal with it.

The answer to the second question is that the Collector is bound to see whether the necessary conditions as laid down in Sec. 65 (2) really exist or not; otherwise, the importance attached to a certain minimum number of members signing the notice for the motion of no-confidence against the elected head of the municipal board will be lost.

#### *Case of Mandawa Municipality*

In the case of the no-confidence motion against the Chairman of Mandawa Municipal Board, the meetings were postponed two times in succession. In the first instance the Collector informed the Municipal Board that the presiding officer was busy on the announced date, and therefore, he would not preside over the no-confidence meeting.

Again, two days before the fixed date for consideration of the no-confidence motion, the same presiding officer went on leave to Jaipur. The date for the meeting was postponed, for the second

<sup>3</sup> I.L.R. (1968) Raj., 506.

<sup>4</sup> Antieau, *Municipal Corporation Law*, Article 17.04.

time, and the Collector informing about the leave of the presiding officer asked the Secretary, Municipal Board, to contact all the members and send compliance report to him.

Six members of the Municipal Board complained to the Collector in writing stating that they had come to the meeting again and again leaving their urgent jobs. Some members had come even from Bombay and Calcutta, therefore, they requested him to fix the date again and not to postpone it.

For the third time the meeting to consider the no-confidence motion took place, though the presiding officer was changed. Two members were suspended by the Director, Local Bodies, at the eleventh hour, when they were going to cast their votes. Since they were suspended, they could not vote and only five members out of twelve voted in favour of the motion. The motion was thus defeated for want of majority.

#### *Case of Bikaner Municipal Council*

The Bikaner Municipal Council considered a vote of no-confidence against the President on June 10, 1965. The motion was moved by an independent member against the President who belonged to the Congress Party. A long list of charges against the President included cases of failures in preventing epidemic diseases, sponsoring development work, improving sanitary condition and so on.

The President, in turn, defended himself by explaining clearly the circumstances in which he had to function. He referred to financial difficulties and other administrative constraints. After the discussions, the motion was put to vote. It was carried by a majority and thus the President was unseated.

#### *Case of Jaipur Municipal Council*

A no-confidence proposal signed by 21 Congress Councillors was sent to the Collector against the Chairman, Jaipur Municipal Council. The charges levelled were that the Chairman's conduct in the previous meeting was not good because he did not take into consideration the views of the majority and the people of Jaipur about the proposal to establish a memorial for the late Maharaja Sawai Man Singhji. Secondly, he did not pay any attention to the cleanliness of the city. Thirdly, he was unable to run the Municipal Council efficiently. They also urged the Collector to see that the Chairman could not exercise any powers under the Municipal Act, as these had not been given to him so far.<sup>5</sup>

The Collector fixed January 7, 1971 for the discussion of the no-confidence motion. The motion was debated for four hours. All the members except two were present at that meeting.

The Congress members charged the Chairman with utter failure during the 53 days in office. It was alleged that the Chairman had shown discrimination and favouritism. The charge was made that the Chairman was partisan in outlook, and the civic services were available only in selected parts of the city.<sup>6</sup>

Defending the Chairman, some members said that the no-confidence motion was an intrigue by those who were intoxicated with power. They denied the charge of favouritism levelled against the Chairman.

Defending himself the Chairman replied that he had done what he could possibly do during his tenure. He said, he would contribute his mite towards the improvement of the city.<sup>7</sup>

<sup>5</sup> *Rajasthan Patrika*, Jaipur, dated December 12, 1970 : and also see *Navjyoti Herald*, City Edition, Dated December 12, 1970.

<sup>6</sup> *Rajasthan Patrika*, op. cit., Dated January 8, 1971.

<sup>7</sup> *Navjyoti Herald*, Jaipur City Edition, Dated January 8, 1971.

At the time of voting the ruling Jan Sangh members walked out saying "that they oppose the circumstances in which this no-confidence motion was brought, therefore, they would not take part in voting".<sup>8</sup> The motion was thus passed and the Chairman unseated.

These four case studies reveal certain behavioural patterns. The no-confidence motion is frequently used as a pressure device so that the chairman may grant benefits and patronage to the rebel followers. Very often, the party politics and personal rivalries are responsible for the sponsorship of the no-confidence motion.

The bitterness of party politics was

clear in the case of Mandawa Municipality where no-confidence motion meetings were postponed two times, and in the third time two members were suspended to save the Chairman.

It is not very easy to pass a no-confidence motion because provisions of the Act are not clear in this regard and civil servants have a greater say in making a motion successful.

The four cases cited above reveal the deficiencies in the Rajasthan Municipal Act with regard to the procedure of removal of a Municipal Chairman. These also point out how party politics, instead of strengthening the Chairman, weakens him, which is detrimental to the smooth functioning of a municipality.

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<sup>8</sup> *Rajasthan Patrika*, op. cit., Dated January 8, 1971.

# JUDICIAL DECISIONS

## *Removal of Member*

The Supreme Court by its order dated April 7, 1972 has upheld the order of the Punjab government removing the appellant from membership of Phagwara Municipal Committee under the provisions of the Punjab Municipal Act, 1911. The appellant was elected as a member of the Phagwara Municipal Committee in October 1959. On June 20, 1960, a meeting was held in the Town Hall for the election of the President and Vice-President of the Committee. It was alleged against the appellant that he had brought outsiders into the Town Hall on the day of the meeting to cause disturbance in the meeting, that he did not maintain decorum and did not care to obey the rulings of the chairman and thus flagrantly abused his position as a member of the Municipal Committee. The government served a notice on the appellant to show cause why he should not be removed from the membership of the Committee, on the above grounds. The explanation of the appellant was not accepted by the government and by its order dated September 11, 1962 removed the appellant from the membership of the Committee.

The appellant challenged the order in the High Court of Punjab and Haryana. The single judge quashed the order of the government. On appeal by the State, the full Bench of the High Court held that the proceedings initiated against the appellant were of quasi-judicial in nature and that the file produced by the government showed that the representations of the appellant were taken into consideration before the impugned order was passed and that the allegations against the appellant regarding his conduct at the meeting amounted to his having flagrantly abused his position as a member of the Committee. Aggrieved by this ruling, the appellant appealed to the

Supreme Court. The Supreme Court dismissed the appeal and upheld the decision of the full Bench of the High Court that the order of the government was valid.

## *Nomination of Members*

The Allahabad High Court has upheld the validity of Section 10 of the U. P. Municipalities Act, by its judgment delivered on March 30, 1972. The Court was deciding on two writ petitions filed by the two elected members of the Municipal Board of Naini Tal challenging the validity of the nomination of four members to the Board by the State Government under Section 10. This section empowers the government to vary the normal composition of the Board under certain circumstances, by nominating members etc. The petitioners contended that Section 10 of the Act offended Article 14 of the Constitution as it conferred unguided and arbitrary powers on the State government to declare that the municipal board shall not have normal composition of elected members only as set down in Section 9, but shall have elected as well as nominated members under Section 10. Another contention was that Section 10 suffered from the vice of excessive delegation of legislative power and was, therefore, invalid. The Court rejected both the contentions and held that the Municipality of Naini Tal was constituted strictly in accordance with the provisions of law. It was also held that the impugned notification issued under Section 10 nominating four members to the Board and the election of the president of the Board in which the nominated members had taken part, were also valid.

## *Property Tax*

Mr. Justice V. V. Raghavan of the High Court of Madras has, by an order

dated June 1, 1972, admitted a petition filed by the management of T. I. Cycles Ambathur, challenging the demand of property tax by the Ambathur Township for the first half-year 1971-72 and has granted interim stay of proceedings for the recovery of the amount. The petitioner is in occupation of factory buildings and lands to a total extent of 87.75 acres in Ambathur. This place was originally a town Panchayat, but was constituted into a township in 1970. By a notification issued by the government, the provisions of the Madras District Municipalities Act and the rules made thereunder were made applicable to the township. Until the second half of 1970-71, the buildings and lands were assessed to property tax under the Madras Panchayat Act, and the tax for the buildings occupied by the petitioner came to about Rs. 11,506 for half year. The petitioner received a demand from the Executive Officer of the Township in respect of property tax, for the first half of 1971-72, of about Rs. 1,16,575 which amounted to more than ten times the previous levy. It was contended by the petitioner that he was not informed that there would be an increase in the assessment before the demand was made and no reasons were given for the enhancement. Further, the demand was not in accordance with the provisions of the Madras District Municipalities Act which provided methods of assessment. It was also submitted by the petitioner that the Executive Officer was threatening coercive steps for the recovery of the amount, which according to the petitioner, was wholly extortionate and illegal. The Court granted interim stay of proceedings for the recovery of the amount.

#### *House Tax*

Admitting a writ petition against the New Delhi Municipal Committee (NDMC), challenging the authority of the NDMC as presently constituted to impose house tax, Mr. Justice Avadh Behari of the Delhi High Court by an order dated June 5, 1972, has granted

interim stay of the recovery of house tax from the petitioner. The petitioner who is one of the owners of a building in Curzon Road, New Delhi has challenged the assessment of the house tax in respect of that building. The petitioner was informed that his property had been under-assessed through a mistake on the part of the Committee and, therefore, the existing annual value of the ground floor was sought to be revised as provided under Section 67 of the Punjab Municipal Act, 1911. The petitioner argued before the Court that the constitution of the NDMC was in violation of Sections 10 and 11 of the Punjab Municipal Act, for nearly half of the members of the Committee were not residents within the local limits of the NDMC. Since the constitution of the Committee was illegal, it was contended, that the Committee could not assess, levy, impose and collect any tax. The Court granted interim stay on the petition.

#### *Water Tax and Scavenging Tax*

The High Court of Delhi in a judgment delivered on July 28, 1971 (Reported in A. I. R. 1972 Delhi 126) has declared that the water tax and the scavenging tax imposed under the Delhi Municipal Corporation Act, although collected with respect of the valuation of the lands and buildings are not in the nature of taxes on lands or buildings and that they are really to be borne by the tenant and not by the landlord. The Court was deciding on a revision petition filed by the landlord-petitioner against the decree of the Additional Judge of the Small Causes Court. The petitioner had instituted a suit in the lower court for the recovery of the arrears of rent from her tenant and the same had been decreed in her favour. Besides the rent, the petitioner had also claimed the arrears of scavenging and fire taxes imposed by the Municipal Corporation; but this claim was rejected by the Court in view of Section 7(2) of the Delhi Rent Control Act which provides that "the landlord shall not recover from the tenant, whether by

means of an increase in rent or otherwise, the amount of any tax on building or land imposed in respect of the premises occupied by the tenant”.

In the revision petition before the High Court, the question was whether the scavenging and the fire taxes were the kinds of taxes to be borne by the landlord or whether in view of Section 7(2) of the Rent Control Act, the impact could be shifted over to the tenant. After examining the statutory provisions (Sections 114 and 115 of the DMC Act) the court pointed out that the provisions would indicate that the water tax and the scavenging tax were in the nature of fees for services rendered by the Corporation

to the occupants, for, the tax was to be levied on the use of the premises by the occupants and not on the existence of the building as such which might not be occupied and where no filth or obnoxious matter accumulated. On these reasonings the court held that the water tax and scavenging tax, if payable, were really the burden of the tenant and that they were covered by Section 7(2) of the Delhi Rent Control Act. The Court, however, made it clear that the same consideration would not apply to the fire tax levied by the Corporation, which had no connection with the usage of the building, but was imposed on the owner in lieu of the availability of the fire services.

# URBAN NEWS

## UNION GOVERNMENT

The Ministry of Works and Housing is planning to set up a high powered Board for the coordinated development of the National Capital Region comprising the Union Territory of Delhi and contiguous areas of Haryana, Rajasthan and Uttar Pradesh.

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The Ministry has chalked out a scheme for providing hundred per cent assistance for environmental improvement of slums in metropolitan cities other than Calcutta with a population of one million or more.

\* \* \* \*

The ensuing Housing Ministers' Conference which will take place in July will consider constitution of development authorities with statutory powers and revolving funds for the planned growth of towns and cities in the country.

\* \* \* \*

The Union Government has formally approved the metropolitan transport project for Calcutta. The project is estimated to cost Rs. 140 crores including Rs. 23 crores of foreign exchange. This system known as Rapid Transport System, will have underground line connecting Dum Dum in the north and Tollygunj in the south.

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The Ministry of Health and Family Planning, Government of India, has set up a high power committee on urban wastes of which Shri B. Sivaraman, Vice-Chairman, National Commission on Agriculture, New Delhi, is the Chairman and Shri Satish Kumar, Deputy Secretary, Ministry of Health and Family Planning

the Member-Secretary. The Committee is to examine the problem of disposal of urban wastes and consider proposals for the utilisation of urban wastes for agricultural purposes. The Committee is expected to submit its report within a period of six months. Its terms of reference are as follows :

- (a) To study the problem of disposal of city refuse and night soil and present methods of disposal thereof in this country, keeping in view the extent of environmental pollution caused by existing methods and the practice and usage in other countries. Also to study the present and future planning for the utilisation and disposal of such wastes.
- (b) To determine the extent to which the urban waste can be used in the form of organic manure as a supplement to chemical fertilizers and the precautions to be taken to prevent any adverse effect on public health in its use.
- (c) To study the methods for mechanical composting, the cost of establishment of plants and transportation and suggest most suitable methods for conditions obtainable in this country.
- (d) To estimate the order of investment required and the economic viability of such programme, keeping in view the need for agricultural purposes and other social benefits.
- (e) To find out an idea of the estimated cost of compost at delivery point vis-a vis the cost of chemical fertilizers and the capacity of the agriculturists to meet this cost and subsidies, if any, recommended to popularise this compost.



(f) To suggest modifications, if any, required in public health policies and other State or Central enactments to enable maximum composting of this resource.

(g) To recommend a plan of action to implement the policies and proposals made by the Committee.

## STATE GOVERNMENTS

### *Andhra Pradesh*

The Municipal Election in 63 municipalities of the State which were scheduled to take place in June have now been postponed till September this year.

\* \* \* \*

The State Government is actively considering to constitute an Urban Development Board for Hyderabad City on the lines of the Delhi Development Authority.

\* \* \* \*

### *Delhi*

The Lieutenant Governor of Delhi, Shri Baleshwar Prasad, has asked the Delhi Development Authority and the Chief Town Planner of the Union Government to review the Master Plan of Delhi keeping in view the existing and future changes.

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### *Gujarat*

The Gujarat Government is actively considering to constitute a Road Construction Corporation in the State.

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The State Government is considering to introduce a bill in the State Assembly for the formation of a Development Authority for Ahmedabad on the lines of the Delhi Development Authority.

\* \* \* \*

### *Haryana*

The Haryana Government has chalked

out a plan to develop the ring towns around Delhi like Rewari, Panipat, Palwal, Bahadurgarh, Gurgaon and Faridabad. A Master plan is under way for their development.

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The State Government has appointed an Advisory Committee for the Local Government Department to advise the Minister in charge on general policy matters and specific programmes concerning efficient running of different local bodies in the State. It will also provide a forum for highlighting public grievances against the Local Government Department.

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### *Kerala*

The State Government will be shortly taking suitable measures to constitute a joint trust of the Guruvayur township and the Guruvayur Devaswom for the Development of the township area. A master plan for the purpose has already been prepared to look after 5,000 pilgrims visiting Guruvayur daily and about 50,000 on festival days.

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### *Madhya Pradesh*

The civic poll of all the superseded 26 Municipalities and three Municipal Corporations will take place early next year, as decided by the State Cabinet recently. The Government has decided to set up a Directorate of Municipal Bodies and Corporations to supervise local bodies. A Committee is also being set up to revise the existing Municipal Acts.

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### *Maharashtra*

An authority known as 'The Pimpri Chinchwad New Town Development Authority' has been set up by the State Government. The main purpose of the Authority will be to acquire, develop and

dispose of land in the area of the Pimpri Chinchwad New Town.

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### Mysore

A proposal is being examined by the Mysore Government to enact legislation on the lines of the Tamil Nadu Act for slum clearance and improvement. A State-level slum committee will be constituted under the Act. It will have both officials and non-officials to formulate the policies and fix priorities with regard to slum clearance and improvement work.

\* \* \* \*

The Opposition members in the State Assembly recently demanded that the Bangalore City Corporation should be allowed to manage the distribution of water after getting the supply from the Cauvery river. The Opposition warned the Government that if water rates were increased, a vigorous campaign would be launched against it.

\* \* \* \*

A bill will soon be introduced in the State Assembly to convert the State Urban Development Corporation into a statutory body to enable it to raise funds from recognized financial institutions. The body will be known as Mysore State Urban Development Board.

\* \* \* \*

The State Tourist Development Corporation has drawn up a plan to develop Mysore City and its surrounding areas as an integrated tourist complex.

\* \* \* \*

An inquiry committee has been appointed by the State Government to look into the affairs of the Bhadravati Municipality under Section 310 of the Mysore Municipalities Act. Public has also been advised to give evidence against

the charges levied which include mal-administration, negligence of civic amenities and misuse of power by the Council. The report is expected to be out in two months' time.

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### Punjab

The State Government is planning to constitute 10 more Improvement Trusts in the State soon, as disclosed by the Minister of State for Local Bodies.

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The Government is contemplating to modernize all the towns in the State through a programme being chalked out. A sum of Rs. 2 crores has been allocated for sewerage work, widening of roads other developmental activities in the industrial area at Ludhiana.

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### Rajasthan

The State Road Transport Corporation in the State has been superseded by the State Government for six months. The charges include inability to perform the duties and misuse of powers.

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### Tamil Nadu

The State Government is considering a proposal to develop satellite towns around Madras city. A new bill on Town and Country Planning will be introduced shortly under which certain urban centres will be developed in order to check the migration of people from rural regions to big towns and cities.

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The public health department of Gindy Engineering College has evolved three low-cost methods for treating industrial and domestic effluents suited to Indian conditions. The State Water Supply and Drainage Board has already suggested

some municipalities and rural local bodies to give these a trial.

\* \* \* \*

The State Minister of Local Administration while commenting on Tiruchi Municipal Council's resolution demanding more powers to civic bodies, said that if Local bodies could define the areas in which more powers were needed, the Government would consider the plea for more powers. He advised the municipal chairmen to submit their suggestions to the committee regarding reorganisation of Local Administration.

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#### *Uttar Pradesh*

The State Government is planning to constitute Statutory Urban Development Boards for the cities of Lucknow, Kanpur, Allahabad, Varanasi, Agra and Ghaziabad on the pattern of the Delhi Development Authority.

\* \* \* \*

The Government has sanctioned two loans to the Lucknow Municipal Corporation, one amounting to Rs. 1 crore for the improvement of slums and other of Rs. 50 lakhs for construction of houses for middle- and low-income groups. Both the loans are to be utilized during this financial year.

\* \* \* \*

The State Government is considering to convert town and notified area committees into municipal boards as sequel the recommendations of the high-level committee set up sometime ago.

\* \* \* \*

The State Town and Country Planning Department is preparing Master Plans for Moradabad, Agra, Jaunpur and Gorakhpur. The draft master plan has been finalized for Bareilly. The Department is also preparing regional plans for

Gorakhpur-Deoria, Hardwar-Rishikesh-Dehra Dun and Rihand regions.

\* \* \* \*

#### *West Bengal*

The State Government has set up a special study team to go into the problems of administration of municipalities within the Calcutta Metropolitan District and suggest measures for their improvement.

\* \* \* \*

The State Government has decided to constitute a Housing Board on the pattern of Housing Boards in other States. A suitable legislative measure to this effect will soon be taken up.

\* \* \* \*

The State Government has decided to distribute Rs. 15 lakhs as loan to 31 municipalities in the State outside the Calcutta Metropolitan District to improve drinking water supply in the municipal area.

\* \* \* \*

### CITY GOVERNMENTS AND SPECIAL AUTHORITIES

#### *Asansol*

In order to meet the water shortage in Asansol Municipal Area, the State Government of West Bengal has sanctioned Rs. 50,000 to the civic body for supplying potable water by lorries to parched areas of the town.

\* \* \* \*

#### *Bangalore*

A joint delegation representing eight political parties submitted a memorandum to the Chief Minister of Mysore recently. It was alleged in the memorandum that the revision of property tax had been indiscriminate and arbitrary.

\* \* \* \*

The City Corporation has planned to take up the improvement work of 14 slums under the Central Slum Improvement Scheme costing Rs. 1.5 crores. The project reports of these areas are being sent to the Union Government for approval.

\* \* \*

#### *Baroda*

The civic body is preparing a seven year plan costing Rs. 16 lakhs to increase the generating and distributing capacity of electricity to meet the growing demand of expanding industries around the city. A master plan has been prepared and launched to provide basic civic amenities to the population which is expected to be double by 1981.

\* \* \*

#### *Bhavnagar*

The Bhavnagar Municipality has planned to undertake the construction work of Krishannagar and Khumbarvada drainage scheme at a total cost of Rs. 80.38 lakhs.

\* \* \*

#### *Bhopal*

The Bhopal Municipal Corporation is contemplating to impose profession tax on all traders, employees—government or private and professionals making their earnings in the city even for part of a year. The tax will range from Rs. 20 to Rs. 200 a year within the municipal limits.

\* \* \*

#### *Bombay*

Allaying the doubts expressed in some quarters about the future of the twin city project, the Chief Minister of Maharashtra, Shri V. P. Naik, said that the Government is confident of going ahead with the development of the project inspite of the opposition in the area

proposed to be acquired for the City and Industrial Development Corporation.

\* \* \*

Under the 'Clean Bombay' campaign, the city Corporation has approached the State Government to provide magistrates and mobile vans to keep a check on all those who make the city dirty.

\* \* \*

A proposal to appoint a pay commission to examine the pay scales of all categories of Corporation employees numbering over 70,000, was approved by the Standing Committee recently. The Corporation has 1,129 categories of employees and 200 different scales of pay which has given rise to discontent among the employees. The Commission consists of a retired High Court Judge as its Chairman and four other expert members. It is expected to submit its report within a year.

\* \* \*

#### *Calcutta*

An urban renewal plan has been chalked out for Calcutta city and its vicinity by the Calcutta Metropolitan Planning Organisation at a cost of Rs. 1.25 crores. The plan is scheduled to start in 1974 spreading over the two five-year plans.

\* \* \*

It has been proposed by the Calcutta Corporation to beautify whole area between Kashi Mitra Ghat and Cossipore. The area will be cleaned and lighted. It will be safe for children and old persons and free from vehicular traffic. A citizen of Calcutta has also offered to build a children's park.

\* \* \*

#### *Coimbatore*

A staggered water supply scheme has been planned in order to cope with the water supply shortage. This decision was

taken by the Municipality to ensure equitable distribution of available water to all areas of the city.

\* \* \* \*

#### *Delhi*

A high-power project organization has been set up in Delhi to prepare a feasibility report for Rapid Transit System aiming to solve the increasing traffic problem in the capital. The project is called Metropolitan Transport Project (Railways). Survey teams are already at work in different parts of the city.

\* \* \* \*

The Delhi Municipal Corporation has constituted an advisory committee, consisting of Ex-Mayors and Deputy Mayors to advise the Corporation on emerging civic problems.

\* \* \* \*

#### *Erode*

A Municipal weekly market in Perundurai Road has been opened by the District Collector recently.

\* \* \* \*

#### *Gauhati*

The Calcutta Metropolitan Planning Organisation has prepared a master plan for water supply, sewerage and drainage in Greater Gauhati.

\* \* \* \*

#### *Hyderabad*

Deweeding operation has been launched to clear water hyacinth growth in the Hussain Sagar Lake having an area of eight square miles. This work has been entrusted to the Hyderabad Municipal Corporation by the State Government.

\* \* \* \*

#### *Jabalpur*

The Local Improvement Trust has recently sent a proposal to the Central

Housing and Urban Development Corporation for a loan of Rs. 60 lakhs for its housing programme. Under the plan the Trust is planning to construct a 'Civic Centre' in the Marhatal area where an open plot of 15 acres will be provided for public meetings, exhibitions, circus and open air plays.

\* \* \* \*

#### *Jaipur*

The broad guidelines of the master plan for Jaipur is ready and shall be published to invite public suggestions. The plan will guide development of the city during the next twenty years, and it seeks to protect the traditional architectural beauty of the town.

\* \* \* \*

#### *Lucknow*

The Lucknow Corporation is planning to launch a drive against illegal shopkeepers and stall-holders to ensure smooth flow of traffic on roads. It has also decided to remove encroachments and give alternative places for doing business on reasonable terms.

\* \* \* \*

#### *Ludhiana*

The city is facing acute water supply shortage, inspite of the best efforts put in by the Municipal Committee.

\* \* \* \*

#### *Madras*

The biggest housing scheme for slum dwellers in Madras city at Katturpuram is nearing completion. Under the scheme, 1,848 families can be accommodated. About 1,000 tenements have been so far constructed by the Slum Clearance Board.

\* \* \* \*

To improve the drainage facilities in South Madras, the Corporation is deve-

loping a sewage farm at Pallikaranai, 15 miles south of the city.

\* \* \* \*

#### *Nadiad*

Three hundred new houses have been provided to the slum dwellers in Sher Talavadi area recently. The construction programme was jointly carried out by the State Government and welfare agencies like OXFAM coordinated by the Ahmedabad Study Action Group (ASAG) and assisted by the Nadiad Municipality and the town's leading citizens.

x x x x

#### *Raniganj*

The West Bengal Government has sanctioned a plan to erect a bus stand at Raniganj. This plan was recommended by the Asansol Planning Organization.

x x x x

#### *Sagar*

The Chairman of the Water Supply Committee of the Sagar civic body has tendered his resignation, following deteriorating water supply condition in the town.

x x x x

#### *Shillong*

To beautify Shillong City, the Frontier Chamber of Commerce of Shillong has evolved a scheme. It will be executed by the members of the Chamber.

x x x x

#### *Simla*

A resolution moved by Jan Sangh members in the State Assembly for the restoration of elected Municipal Committee for Simla Town was rejected by

voice vote recently. The Government, however, agreed in principle to the idea of restoration.

x x x x

#### *Tiruchi*

A resolution urging the State Government to accord more powers to the municipalities in order to carry out various civic schemes, was adopted by the Tiruchi Municipal Council recently. It was proposed in the resolution to amend the District Municipalities Act of 1920.

x x x x

#### *Tumsar*

The civic body adopted a resolution recently by which it proposed to transfer the management of Subhash Bose Hospital to the State Government.

x x x x

#### *Andhra Pradesh Slum Clearance Board*

In order to boost up the clearance work on a large scale in the big cities in the State, the State Government has proposed to set up a Slum Clearance Board on the pattern of the Tamil Nadu Slum Clearance Board.

x x x x

#### *Delhi Development Authority*

The Delhi Development Authority claims that four houses per hour are being constructed in Delhi to meet the city's growing housing demand.

x x x x

#### *Rajasthan Housing Board*

The Board plans to construct 2,868 houses for different income groups at a cost of Rs. 2.34 crores during the current financial year.

# NEWS FROM THE TRAINING AND RESEARCH CENTRES

## NATIONAL CENTRE, NEW DELHI

The Centre organised a Specialized Course on *Municipal Personnel Administration* during April 17-29, 1972. The participants from all over India attended the Course. Another specialized course of two weeks' duration on *Municipal Budgeting* will commence on 31st July, 1972. A two-day Seminar is being organised by the Centre on *Property Tax* during July 14-15, 1972. The Seminar will discuss the various aspects of municipal property tax administration. It was reported earlier that the Centre has been doing a consultancy work on "Integrated Services for Children and Youth in Urban Areas" sponsored by the UNICEF. This programme is being carried out in 12 cities all over India. Research and survey units have been established in all the cities where the project is in operation namely, Baroda, Lucknow, Bombay, Howrah, Patna, Delhi, Madras, Jaipur, Indore, Hyderabad, Trivandrum and Amritsar. The City of Bangalore is expected to be included as another project area. In all these cities special studies have been underway on socio-economic conditions, dietary and clinical surveys, family living conditions, vocational studies etc. The project reports of these cities are at different stages of completion. At the end of the studies and reporting, future action programme for the actual implementation of welfare activities will be taken up.

At the instance of the Union Ministry of Health and Family Planning, Government of India, the Centre collected detailed information on the various Associations of Municipal Bodies in

India. The data and information are expected to be presented before the next meeting of the Central Council of Local Self-Government. Another report has just been completed by the Centre relating to "Municipal Government and Labour Legislations". It has been prepared in response to a decision of the Committee on Applicability of Labour Laws to Municipal Personnel. The Centre was asked to examine municipal laws and prepare a paper on the Machinery for conciliation available under the existing provisions and also to suggest suitable provisions for adoption by the State Governments. The Report has now been submitted to the Ministry of Health and Family Planning, Government of India.

## REGIONAL CENTRES

### *Bombay*

The Centre started its in-service training course of 4 months' duration on 10th April, 1972 for supervisors and officers of urban local bodies. Alongside this, the LSGD Regular Course is being held at different Centres in the country. The Centre is engaged in two research projects on Municipal Finance in Maharashtra and Staffing Pattern in Gujarat.

x x x x

### *Calcutta*

The Diploma Course in Municipal and Urban Administration started on April 14th, 1972. The Course is of 6 months' duration. The research wing of the Centre has completed a pilot survey on the "Degree of Underassessment of Annual Valuation of Properties for

the Levy of Property Taxes by the Local Authorities". The Centre has completed a pilot survey of civic services in some selected wards of Calcutta Corporation. In all, 22 wards were selected and the work was conducted in two phases. In the Course of the survey as many as 2,031 householders were interviewed, of whom 1,867 were male and 164 female. The survey revealed that by and large civic services in Calcutta are irregular, poor and insufficient. Timely attention is not paid to the proper running of the civic services, and complaints by the citizens often remain unattended. The survey revealed that there was hardly any contact between the people and the authorities responsible for the administration of the municipal body. Majority of the rate payers who were interviewed expressed dissatisfaction against the annual valuations determined during the last assessment. However, more than 50 per cent of the affected persons submitted review applications and got some form of tax relief. The survey also collected interesting information and data on housing and living conditions in the different wards of the Calcutta Corporation.

\* \* \* \*

### *Hyderabad*

On March 19, 1972, a Conference was organised by the Centre to discuss problems relating to the teaching of public administration and those specifically concerned with the teaching of local government and urban administration. About 75 teachers of public administration from the affiliated and campus colleges of the Osmania University attended the Conference. The Fourth Seminar

on Municipal Tax Administration and Third and Fourth High Level State Officials Conference were held on 28th and 29th April, 1972, at Ootacamund. The Hon'ble Minister for Education and Local Administration, Government of Tamil Nadu, Mayors and Municipal Chairmen, Secretaries of Municipal Administration Department of Tamil Nadu and Andhra Pradesh participated in the deliberations. The Minister for Local Administration, Tamil Nadu, spoke eloquently about the services being rendered by the Public Administration Department of the Osmania University toward municipal administration and the training of municipal employees. Prof. M. A. Muttalib, Director of the Centre has been invited to visit West Germany to lecture on Urban Government. Two research officers of the Centre attended an 8-week research Methodology Course at the Tata Institute of Social Science, Bombay, organised by the Indian Council of Social Science Research, New Delhi. Currently, the Centre is conducting its Fifth Orientation Course in Municipal Administration.

\* \* \* \*

### *Lucknow*

The Centre organised during April 24 to May 24, 1972, its Twelfth In-Service Training Programme for Municipal Officers which was attended by the municipal officers from the States of Uttar Pradesh, Madhya Pradesh and Orissa. The trainees were taken to Calcutta to observe at first hand the working of the Calcutta Metropolitan Development Authority. The Centre is presently carrying out a research project on the "Degree of Underassessment of Properties in Lucknow".



## BOOK REVIEW

*DEPUTY COMMISSIONER IN PUNJAB*, SUDESH KUMAR SHARMA, Indian Institute of Public Administration, New Delhi, 1971, pp. 340, Price Rs. 30.00.

District is the basic territorial unit of state administration in India, and to many the term sounds meaningless and hollow when separated from the district collector, its presiding deity. The institution of district collector dates back to 1772, when the East India Company made the historic decision to "stand forth as *diwan* and to take upon themselves, by the agency of their own servants, the entire care and administration of the revenues" and appointed collectors "to superintend the revenue collection and to preside in the courts"<sup>1</sup>. Steadily, the district collector's authority and power increased, and before long he emerged as the pivot of district administration, representing the government in its totality. The duty of assessing and collecting the land revenue, which originally imparted to this office its title, was by no means his only duty, which has always remained more undefined than defined. Other public functionaries posted in the district look to him for help, advice, sometimes even orders, and even the citizens almost instinctively flock to him whenever they have a grievance to be redressed or have any problem the solution of which they do not seem to know or agree with. Not incorrectly did *The Imperial Gazetteer of India* observe: "A collector of strong and sympathetic character and with the gift of insight may gain the strongest hold over the affections and imagination of the

peasantry, and tales of his sagacity and good deeds will be told in remote villages many years after his name has ceased to be borne on the civil list of his province".<sup>2</sup>

Such an unparalleled role of the district collector has been, not unexpectedly, the theme of numerous writings on Indian administration, many of them becoming classic ones with the passage of time. Sir George Campbell, then lieutenant governor's of Bengal (during 1871-4), wrote in 1872: "It is the lieutenant governor's wish to render the heads of districts no longer the drudges of many departments and masters of one, but in fact the general controlling authority over all departments in each district... he has, therefore, striven to make the magistrate collector of a great Bengal district... the real executive chief and administrator of the tract of country committed to him and supreme over everyone and everything except the proceedings of the court of justice."<sup>3</sup> G. W. Steevens called him the "British rule incarnate"; "the father and mother of district", "respected, feared, trusted, to his 800,000 he is omnipotence".<sup>4</sup> Even in 1930 when dyarchy had begun to have its impact on this institution, the Indian Statutory Commission made the assertion that the district collector "is in the eyes of most of its inhabitants 'the Government'".<sup>5</sup> Ramsay MacDonald went a step further and compared

<sup>1</sup> Hunter, Sir William Wilson: *The Indian Empire: its Peoples, History and Products*, London, Smith, Elder & Co., 1892, p. 456.

<sup>2</sup> *The Imperial Gazetteer of India*, Vol. IV, Oxford, Calarendon Press, 1909, p. 52.

<sup>3</sup> Quoted in *Report of the Bengal Administration Enquiry Committee* (1944-45), Alipur, Bengal Government Press, 1945, p. 20.

<sup>4</sup> Steevens, G. W.: *In India*, Edinburgh, William Blackwood & Sons, 1901, pp. 51-61.

<sup>5</sup> *Report of the Indian Statutory Commission*, Cmd. 3568, London, H.M.S.O., 1930, p. 281.

this functionary with that tortoise on whose back stood the elephant of the Government of India.

The office of deputy commissioner has, however, changed fundamentally in terms of its prestige and powers since independence. This has come about as a result of almost simultaneous operation of at least three factors. First, the adoption of parliamentary form of government has transformed this institution from being an agent of a paternalistic alien rule into a sensitive instrument of a popularly elected democracy. The constitutional position of the executive being held continually accountable to the legislature has caused an unmistakable concentration of power and authority in the hands of the minister and his office namely the secretariat with the consequence that the district collector is no longer the final decision-maker as he used to be during the days of the alien rule. Secondly, the environment in which he necessarily functions to-day has altered in a basic way. The people 'ruled' by him are no longer so abject, servile, uncomplaining and subordinate as they were during the British period. The district collector is to-day increasingly called upon to explain, to convince and to persuade the people, not to coerce them. Also, the political network in the district is much more active, virile and vigilant, thanks to the existence of various political parties in the district. More importantly, the panchayati raj has led to the emergence of a new class of district level politicians who have come to command not inconsiderable patronage and power, even influence over the state government, thus obscuring, even to an extent eclipsing, the position and place of the district collector in the state administrative system. Once called the eyes and ears of the state government, to-day the latter counts on many who act as such, he being only one. Even otherwise, democratic polity suffers no bureaucratic

institution to exist and function on what may be called colonial terms. Thirdly, the district collector of to-day is also less adequately prepared for his job, the complexity of which has, if any, increased manifold since 1947, than his counterpart of the British era. A member of the Indian Administrative Service is appointed to this post in the fourth or fifth year of his joining the service where as a member of Indian Civil Service could expect to get charge of a district much latter in his career. Besides, as E. N. Mangat Rai has observed, "the work of the deputy commissioner has less importance in the entire career of an officer than it did. A member of the Indian Civil Service in the British period . . . could expect to spend 12 to 18 of his 35 years' work in the district, whereas a member of the Indian Administrative Service to-day may spend an average of 4 to 6 years in this way."<sup>6</sup> Despite these momentous changes overtaking this institution the fact is, as K. K. Das appropriately remarks, "There is not, and never has been, an official quite like the collector anywhere else".<sup>7</sup>

The book under review is a manual on district administration in India with special reference to the deputy commissioner in Punjab. The terms 'district collector' and 'deputy commissioner' have to-day become identical although, historically speaking, this functionary was called district collector in 'regulation' provinces and deputy commissioner in 'non-regulation' provinces. The author's principal findings may be summarized here. The deputy commissioner is an over-worked official—the refrain of almost every commentator on this institution. The author argues that he "on the average puts 11.72 hours of work daily and he spends about 50 per cent of this time on court work, case work and VIPs" (p. 188). It needs to be recalled that this average computed in 1970 does not show any significant rise since

<sup>6</sup> Mangat Rai, E. N. : *Civil Administration in the Punjab*, Massachusetts, Harvard University, 1963, pp. 42-3.

<sup>7</sup> *Report on Reorganization of Collectorates*, Lucknow, Government of Uttar Pradesh, 1956, p. 4.

the early sixties, perhaps confirming that the collector's workload has now reached its inevitable plateau having stabilised at a particular point. The Committee on Reorganization of District Revenue Offices, appointed by Bombay, concluded in 1959 : "An average district seems to provide him (collector) with the following account of annual work :

Correspondents	1600 hrs.
Meetings	200 „
Case hearings	100 „
Jamabandi and inspections	80 „
Village inspection	200 „
Field inspection	250 „
Journeys	240 „
VIPs	180 „
Daily visitors	125 „
Total	2,975 hrs.

If he were to allow for Sundays, half Saturdays and other holidays, the whole daily workload comes to about 11.4 hours and if he were only to allow for Sundays, it comes to 9.9 hours. The pressure no doubt is heavy. This has made the general control so tenuous as to become almost ineffective. This position leaves the head of the district in a most dissatisfied state of mind and makes a cynic out of him".<sup>8</sup> From such a situation, the 'sarkar' may be rescued by an appointment of "another whole-time Indian Administrative Service Officer in charge of development". The author pleads with Punjab to take a leaf out of Maharashtra's administrative book, and redesign district administration under which the district collector remains divested of responsibilities in the field of development administration, the latter becoming the exclusive charge of the chief executive officer of zila parishad. He refers to the separation of the judiciary from the executive effected in Punjab since 1964 and says : "It is true that

deputy commissioner after separation of powers has been relieved of some of the magisterial powers exercised by him but in practice, he still continues to be 'the real chief executive administrator of the tract of country committed to him, and *supreme* on everyone and everything except the proceedings of the court of justice'." (The author's quotation is from the Simon Commission Report of 1930). On the question of police-magistracy relationship, the author stresses that the collector should be empowered to write annual confidential reports of the 'police officials' (p.158), by which he apparently means the superintendent of police and the deputy superintendent of police.

The present reviewer is an advocate of the separation of the judiciary from the executive in order to safeguard the former's independence but he must highlight the problems emerging in its wake. Under the pre-separation dispensation, the executive officers including the district collector were unable to acquire experience of judicial work also; while engaged in judicial work, the district collector, for instance, obtained an intimate insight into the lives, problems, anxieties, aspirations etc. of the people in his charge. This, to be sure, was among the most valuable experiences of a district collector, and it is precisely this which stands completely disrupted now. This inevitably creates a wide gap in the intellectual make-up and growth of this functionary. No less serious is the gap observed in the post-separation judiciary in the district. The separation has caused an emergence of a new class of exclusive judicial officers who interpret the laws without having had any opportunity of acquiring first-hand experience of how the executive officers function under various circumstances, and what their problems and difficulties are. As a consequence, they are prone to interpret the laws in an abstract way. A complete absence of knowledge and experience of

<sup>8</sup> Report on the Reorganization of District Revenue Offices, Bombay, Government of Bombay, 1959, p. 24.

the functioning of the executive branch of government has thus created an imbalance in the experience — alignment of the judicial officers. Both the problems underlined here need attention and appropriate remedial action.

The book describes in great detail the district administration and the institution of deputy commissioner and in doing so it remains content with the present model of district administration. It, for instance, does not pause to examine, much less question, whether the prevalent administrative *troika* in the district is an ideal arrangement worthy of retention. At present, there are three sets of administration—the correct expression could be government—existing side by side, even in competition with each other in the district—rural local government with its well-known three tiers, urban local government and, of course, the traditional district administration consisting of various state

government departments and functionaries. This may not be a fully ideal or desirable arrangement. If government has to seek its legitimacy and justification from the citizens, as it ought to, the latter would surely not commend the continuance of three separate, almost parallel hierarchies in the district.

The book is a good compilation of the formal duties and responsibilities of the deputy commissioner and has also discussed quite a few problems encountered in the area of district administration. It is a welcome addition to the growing literature on the subject. Its readability, however, is slightly marred by innumerable printing errors and occasional inelegant expressions. There is no index either. The price of the book is excessive, too.

—SHRIRAM MAHESHWARI\*



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## LETTER TO THE EDITOR

Sir

Sidhpur is a taluka town in Gujarat State. Situated on the bank of a holy river Saraswati, it is a centre of pilgrimage for Hindus for performing the last rites of their mothers. As per last Census, it has a population of nearly 42,000 people with about 9,000 residential houses.

The town was heavily infested with rats. During a night walk, one would encounter large number of rats on the streets and we were all worried as the memory of 1908 epidemic when plague struck the city forcing total evacuation, was still lingering in the minds of many old people. Dr. G. C. Chaturvedi, a Rodent Biologist, has been looking after the Rodent Control Project at Sidhpur which is being implemented by Gujarat Young Farmers' Association through financial assistance from United States Agency for International Development (US-AID), when Dr. Chaturvedi approached us soliciting our help in this connection, we were too glad to do all that could be done to get rid of the rat menace.

A joint plan of action was worked out and put into immediate effect. The Municipality provided the staff and the grains required for preparing the bait, while the cost of chemicals, transport and trained staff which helped and supervised the operations was met from the Project. The work was undertaken in the entire town which was divided into different blocks at different periods. Control operations were preceded by public meetings at various places. Illustrated talks with the help of slides and films were given about the rat menace and damages caused by rats, and cooperation of local people was solicited.

One per cent concentration of "Rodafarin 'C'", an anti-coagulant rodenticide was used as chemical for the control of rats. One part of this was mixed with

39 parts of partly crushed Bajri Grains and this ready-to-use 0.025 per cent concentration of Rodafarin 'C' bait was placed in houses at 3 to 4 places. Houses that were baited were visited for 20 days and replenishment of bait made wherever consumption was recorded. Report of rats dead was collected by asking the residents as to how many rats they had located dead and the rats actually seen dead were identified with regard to their sex and species. Nearly 70 per cent of the houses were covered as the rest were either found closed or the occupants resisted putting bait on religious and other grounds. People in the town were, however, very much impressed as rats were no longer a nuisance to them and secondly, nearly all the rats died in open preventing bad odour that the house-owner has to face in case a dead rat remains concealed in his house. Rodafarin 'C', an anti-coagulant, is a slow poison which a rat has to eat for 4-5 days which provides it sufficient time to come out in open and die,

Nearly 5.5 tonnes of ready-to-use bait was used in the town. While 13,339 rats were actually seen dead, another 40,428 were reported dead by the residents which could not be seen as they were thrown away by them and might have been picked up by predators like birds and dogs and eaten away. Thus in all 53,767 rats were reported dead in the town. Besides, at least 10 per cent of this number might have moved out of the house un-noticed by the residents to die in open where they might have been picked up by the predator birds and beasts.

Over Rs. 30,000 were spent for the operation jointly by the Sidhpur Municipality and the Project within a period of 4 months. On the face of it, it appears a costly enterprise, but according to Dr. Chaturvedi, a rat, besides being a health

hazard would cause damage worth at least 10 paise per day by way of grains that it eats and contaminates by its urine, hair and faecal matter making it unfit for human consumption, and do damages to clothes, house structures, and household articles.

We are very happy with the results achieved from these operations but, as Dr. Chaturvedi cautions, control measures have to be followed up continuously if possible, to take care of the residual rat population or else it will flare up in

due course to become a menace again.

We are grateful to the US-AID for financial assistance for this project implemented by Young Farmers' Association of Gujarat and to Dr. Chaturvedi, the Project Officer and Mr. M. J. Patel, the Asstt. Project Officer, and their staff for their untiring help. We are also grateful to Dr. C. R. Madsen Verrebrate, Pest Control Advisor to US-AID, New Delhi, who took keen interest in these activities and met us many times at Sidhpur.

P. D. THAKER



## RECENT PUBLICATIONS

Bhattacharya, Mohit : *State-Municipal Relations : a Functional Analysis*. New Delhi, IIPA, Centre for Training and Research in Municipal Administration 1972.

(This book discusses the theme of inter-governmental functional relationship based on four state's survey of specific municipal functions around which the relationship have been studied).

Chadwick, George : *A System View of Planning towards a Theory of the Urban and Regional Planning Process*. Oxford, Pergamon Press, 1971.

(The book sets out a theory of the process known as town and regional planning).

Denman, D. R. and Prodano, Sylvio : *Land Use : An Introduction to Proprietary Land Use Analysis*. London, Allen and Unwin, 1972.

(The work is addressed to all the professions concerned with land and lays a practical foundation on which future pragmatic studies can be based).

Denning, John and Morgan E. Victor : *An Economic Study of the City of London*. London, Allen and Unwin, 1971.

(The study contains a detailed examination of the present economic structure of the city and main influences likely to effect the development upto 1981).

Le Blanc Hught and Allenworth D. Trudeau : *The Politics and Urban Committees*. New York, Harper and Row, 1971.

(The work provides broadly conceived setting for the process of politics as it takes within states and discuss the forces affecting contemporary issue of public policy).

Merlin, Pierre : *New Towns : Regional Planning and Development*. London, Methuen and Co., 1971.

(The study concentrates mainly on countries of western Europe, chosen for the importance of their new towns and the quality of their town planning traditions).

Moorhouse, Geoffery, *Calcutta*. London Weidenfeld and Nicolson, 1971.

Registrar General, Census of India, 1961 : *An Approach to Urban Studies in India* (eds.) by B. K. Roy Burman, New Delhi, Manager of Publications, 1971.

(This report contains working paper for the Seminar to examine different aspects of urban studies, proceedings of the seminar, comparative statement of the contents and methods of urban studies carried out by number of institutions and scholar in India).

Rodwin, Lloyd : *Nations and Cities : a Comparison of Strategies for Urban Growth*. Boston, Houghton. Mifflin Co., 1970.

(The book deals with the problem of urban growth policies in the different countries and case studies to simplify and also to test the more general ideas on urban growth strategies).

Thornhill, W., (eds). *The Growth and Reform of English Local Government*. London, Weidenfeld and Nicolson, 1971.

(It illustrates the growth of local government in England and provides the student of local history—as well as general reader—with an acquaintance with the major documents in the field).

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## EDITORIAL

The Third Five Year Plan was able at last to make out a case for the involvement of urban local bodies in the preparation and implementation of city development plans. This was a move in the right direction because of the comparatively intimate contact between the community and the citizens at the municipal level. As municipal governments are charged with the responsibility of providing the basic civic amenities to the citizens, the performance of local bodies is constantly before the people. As a result, municipal governments, whether they like it or not have to maintain a certain modicum of efficiency. It is unfortunate that the levels of performance have not been as high as they should be and there are wide variations from local body to local body. The performance of these tasks—normal civic functions and developmental responsibilities—would, irrespective of the availability of other resources like finance, material etc. largely depend on the competence of municipal personnel successfully to run the administrative machine. The task is normally a complicated one because of the multiplicity of functions involved and the pressures generated by a demanding public at the local level. An immediate and perceptible improvement in standards of efficiency can undoubtedly be brought about by the introduction of a suitable and diversified training programme for municipal employees at various levels.

The publication of the Report of the Committee on the Training of Municipal Employees (Nuruddin Committee) in 1963 marks a watershed in the history of municipal government in this country. As a sequel to the recommendations of this Committee, municipal training institutions came to be gradually established during 1966 to 1970 at Delhi, Calcutta, Bombay, Lucknow and Hyderabad with liberal financial assistance from the Union Ministry of Health. It is perhaps too early to pronounce any judgment on the performance of these newly established training centres. They have certainly been successful in creating a favourable climate for training where there was none previously. The problems of municipal government have now been subjected to more rigorous academic and analytical scrutiny than ever before and possibly there is more interest today in 'municipal administration' both as an academic discipline and a specialized field of administration. At the same time, however, there is need of diversification of training courses and there adjustment to the training requirements of the municipal authorities. The training institutions are perhaps closer to the State

and central governments than the municipal bodies whom they are expected to serve. Unless there is a continuous dialogue between the training institutions and the municipal bodies, there is a danger of drifting away into activities not quite relevant to the felt needs of the urban local authorities. Since the State governments are constitutionally responsible for the general health and efficiency of the municipal authorities it would be highly advisable for the States to collect and maintain statistics relating to municipal personnel, assess present and future needs of municipal authorities, ascertain the training requirements of the different types of municipal employees and evolve a policy of career management of these employees within which training would be a more meaningful exercise. It is expected that the State governments would come forward with policies on the subject, which would facilitate the purposful functioning of the training institutions.

—EDITOR



# SUBSTITUTION OF OCTROI

The working of octroi as a source of local finance has been subjected to review directly or indirectly by various committees and commissions set up in the past both by the Government of India and the State Governments.<sup>1</sup> The most recent of these has been the Octroi Inquiry Committee set up by Gujarat Government in 1970. The major questions examined by the expert bodies in the context of the evaluation of octroi system have been the following :

1. Is octroi a bad tax in theory and/or in actual practice ?
2. Must it be abolished? If so, should it be abolished at one stroke or gradually ?
3. If it is to be abolished, which other tax (or taxes) should be substituted in its place for compensating the local bodies for the actual and potential financial loss over time due to abolition of octroi? Is it practical to do so ?
4. What special problems will arise as a result of the proposed substitution? How can these be solved ?

This article attempts to answer some of these questions *primarily* from an *economist's point of view*. It is divided into three Parts. Part I deals with an assessment of octroi as a tax. Part II discusses some of the alternatives to octroi and presents the author's choice among them. Part III concludes the paper with the limitations of the proposed substitution and lists the measures to be taken by the appropriate authorities to make the new system work as planned.

●  
CHARAN D WADHVA\*

## *Nature of Octroi*

Octroi is a tax on the entry of goods into a local area from other areas of the country for "consumption, use or sale

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\*Professor of Economics, Indian Institute of Management, Ahmedabad.

This article is an extended version of the testimony given by the author before the Octroi Inquiry Committee (Gujarat).

<sup>1</sup> For a listing as well as summary of the views of the major committees and commissions who have examined the question of octroi in the past, see *Report of the Octroi Inquiry Committee (Gujarat) 1970*, Ch. 3. All references to the figures provided in this article are from this Report

therein". Goods meant for immediate export and goods intended for temporary stay and subsequent export are obviously outside the purview of octroi tax. Accordingly, refund of any octroi collected by local bodies on the goods later exported from the area is an integral part of the octroi system of local finance. It is one of the oldest taxes in India and has been a major source of revenue of local bodies in many of the States of the Indian Union. In this section, we will be referring to the working of octroi in Gujarat for illustrating the point under discussion. However, much of what is being said in the context of the experience of Gujarat is likely to hold good in other States also where octroi provides a major source of local finance.

### *Evaluation of Octroi*

Is octroi a good tax or a bad tax? What does economic theory have to say in assessing octroi as a tax? How does octroi work in practice? What are the effects of octroi as it operates on the economic activity and economic well-being of the residents of the local area *vis-a-vis* the residents of other areas, particularly those areas which are either not levying octroi at all or are levying at lower rates than the local authorities of the area under consideration. Answer to these questions would help us to make a judgment as to whether the octroi system should be continued or not.

In evaluating a tax system, text books on public finance usually list the following canons of taxation :

- Equity;
- Certainty;
- Convenience;
- Economy;
- Productivity;
- Elasticity;
- Diversity; and
- Simplicity.

Even though, the above-mentioned canons of taxation are usually listed for evaluating the tax system of the country as a whole consisting of various types of taxes (*e. g.* the canon of 'diversity' explicitly refers to the existence of a mix of a number of different types of taxes in the structure of taxation), most of these canons can be applied to evaluate the goodness of a particular tax, such as octroi. This is what I propose to do in the following few paragraphs.

Is octroi in line with the canon of equity? Equity requires that the burden of tax be distributed in accordance with the principle of ability to pay. Ability to pay is usually measured by the income and wealth of an individual. Since octroi is an indirect tax, it is usually *regressive*. This is clearly so in the case of those local bodies whose largest octroi revenue is from octroi on items like foodgrains and other necessities which are usually consumed more by the poor. Even though the typical octroi schedules of local bodies usually exempt, among others, such items as fodder, grass, green vegetables, green fruits, living animals etc. usually relating to the profession of agriculturists and articles of hand-spun and hand-woven 'khaddar' (coarse cloth) and certain approved products of small scale industries providing source of income to poorer sections and consumed by poor people and rate of octroi tax is higher for some clearly high-priced articles of consumption like electricals, furniture etc. consumed by the richer sections in the urban areas, by and large, octroi is likely to be working as a regressive tax. Moreover, irrationalities of octroi schedules charging taxes on some items on *ad valorem* basis and on some other items on *specific* (per unit) basis provide scope for regressive character of this tax. Certain amount of inequity would always be built-in due to *indirect* nature of this tax. If so, the octroi tax cannot be called a 'good' tax from the point of view of equity.

As far as the canon of certainty is concerned, the octroi schedules specify

the rate, time and manner of collection of the tax but not entirely. There are certain unclassified items on which even the assessing officer at the octroi post is not clear as to whether the item is subject to octroi and if so at what rate. The same is true in the case of those items which are exempted for "new" industries where it becomes difficult in operational terms to distinguish between items intended for "new" versus existing industries. Manufacturers and traders who are in the export (inter-State or international) business are not certain about the volume of their goods on which they would be required to pay octroi. There is much less certainty for them as to whether they will be able to apply for refunds within the allowed time limit and ultimately succeed in getting back the refunds due to them.

Octroi can be very severely criticised on the grounds of inconvenience caused to the tax-payer. Octroi check posts which detain vehicles on the road frequently and try to conduct physical search of the packed goods cause great inconvenience to the traffic and the tax-payers. The owners of the goods or their agents or employees of trucking organizations have to talk to petty clerks who demand bribe for letting the former pass through the barrier soon and at lesser cost for paying octroi than otherwise due from them or face harassment. These operators at the checkposts are inefficient and often make mistakes which are costlier to be gotten corrected later by the tax payer. There is an abnormal delay in getting back refunds which adds to the inconvenience of the tax-payers. Traders find the octroi system to be very irksome.

Octroi is by no means a good tax relative to other taxes with respect to the canon of economy in terms of the administrative cost of collecting this tax. Thus, for example, for all local bodies taken together for Gujarat State, the Report of the Octroi Inquiry Committee (Gujarat) states that the cost of collection of the State sales tax is 2 per cent of sales tax income. The relevant cost of collection of

octroi is 4 per cent in the case of Municipal Corporations, 11 per cent for Municipalities, 18 per cent for Nagar Panchayats and 15 per cent in the case of Gram-Panchayats.

Octroi is one of the most productive taxes of local authorities. The canon of productivity refers to the generation of adequate funds from the tax under consideration. For all the local bodies taken together for Gujarat State, figures provided in the Report of the Octroi Inquiry Committee reveal that octroi income alone constituted 38 per cent of the total income of these bodies in 1969-70. Local bodies point out that octroi provides them with not only sizable chunk of their total income but also a source of *daily* vital income with minimum arrears for collection of such dues.

However, the way octroi system has been functioning, it has not been as productive a tax for local bodies as it is capable of being even with existing octroi rates. Avoidance of octroi by passing the routes on which octroi checkposts have been located and evasion of octroi dues with or without the connivance of the officials at the checkposts are well-known phenomena. It is difficult to quantitatively estimate as to what part of the full value of octroi tax due from tax-payers (if there was no avoidance or evasion) goes to the local bodies as revenue and what part goes as private income to those officials who administer octroi while accepting bribes and finally what part is 'saved' by the tax-payers. In actual practice, octroi system has institutionalised corruption. Not that corruption does not exist in the administration of other taxes; one gets the feeling by actually passing through the octroi checkposts that it is visibly much more prevalent here.

Octroi scores a plus point out on the canon of elasticity of tax structure. This canon requires that it should be possible to increase or decrease tax revenue according to need. As the needs of local bodies for funds have been constantly

increasing over time, this canon boils down to the requirement of a high rate of growth of tax revenue over time. For most local bodies, octroi has not only been a productive tax, it has also shown inherent capacity for growth at very high rates over time. Thus, for example, the Octroi Inquiry Committee (Gujarat) has worked out the annual average rate of growth of octroi income over the period 1961-62 to 1969-70 to be around 14 per cent in the case of Municipal Corporations and 10 per cent in the case of both municipalities and Nagar Panchayats, yielding an average annual rate of growth of 12 per cent for all these bodies taken together.

Octroi is certainly not a simple tax whose rate structure and clauses every tax-payer can remember and compute his tax liability on this account. A look at the octroi schedule available with the assessing officer will testify to this point.

I now turn to the analysis of the effects of octroi on the economic activity in the local, state and national level economy. Economic theorists usually study the effects of taxation in terms of allocation and supply of resources (productive efficiency) and welfare (consumption efficiency) of the residents of the region.

Octroi is an artificial barrier to trade and restricts the growth of economic activity. Even though it is primarily levied by local bodies for revenue purposes and neither for balance of payments objective nor as a protective measure for domestic industries, in its effects, octroi is very similar to the customs duty levied by national governments on imports of goods from other countries.

The imposition of octroi on the raw materials and other inputs (like machinery directly increases the cost of production of manufacturing units within the local area and reduces the competitive position of these units *vis-a-vis* other units located in other areas where octroi is not levied. Differential rates of octroi on

goods practised by various States distort the comparative cost structure of the traded goods.

The levying of octroi on the finished goods again raises the supply price of the manufacturer/trader from whom the octroi dues are initially collected. The suppliers of these goods try to pass on the burden of this tax forward to the consumers in the shape of higher prices. The degree of shifting of the burden of the tax to the ultimate consumers depends on the relative elasticities of demand and supply. The more inelastic the demand and more elastic the supply of the product in question, under competitive conditions, greater burden of octroi (as a per unit tax) will be shifted on to buyers. To the extent that prices rise as a result of imposition of octroi, the welfare of the consumers of the area will be reduced. Keeping other things constant, to the extent octroi rates levied by different local bodies in the country are different, trade diversion would take place—consumers tending to purchase goods from the areas where octroi rates are lower with discouraging effects on the producers and traders in the local area.

Both productive efficiency (maximizing production according to principles of comparative advantage) and consumption efficiency (free availability of goods at the lowest price) in the local area is, therefore, reduced with the introduction of the artificial barrier of octroi tax.

For the national economy, there are some additional harmful effects than would be shown by adding up the effects of the local areas described above. These relate to the harmful effects on the intermediate *distributive* industries such as the transportation industry. Since octroi checkpoints detain vehicles frequently, this would reduce the turn around time of the trucks etc. This would prevent the full utilisation of capacity in the transport industry. Ultimately, of course, this also would get translated into higher effective supply price and purchase price and effect

both the "productive efficiency" and the "consumption efficiency" described above.

Thus, weighing the pros and cons of octroi as a tax, it can be said that octroi is a bad tax both in theory and in practice. On theoretical grounds, there is a very strong case for the abolition of octroi. The question whether it should be abolished at one stroke or gradually is a matter of political expediency in achieving the objective. It is not easy to demolish a time-tested lucrative source of local finance and the structure that goes with it despite its faults. If the authorities can be persuaded to abolish it at one stroke, it would be a preferred method to the alternative of abolishing it gradually. However, if it is chosen to abolish octroi gradually, the process should not be "too gradual". In the light of our conclusion, the question of devising a "satisfactory" substitution to octroi does become very important. This is dealt within the next section.

#### *Financial Implications of Abolition*

The financial implications of the abolition of octroi on the resources of the local bodies cannot be taken lightly in view of the fact that octroi accounts for a lion's share in the total tax revenue of most of these bodies. Thus, in the case of Gujarat, the Report of the Octroi Inquiry Committee points out that for all local bodies in the State taken together, revenue from octroi accounted for nearly 54 per cent the total tax revenue of these bodies in 1969-70. If these local bodies are to perform the functions which they are performing, they have obviously to be compensated for the loss of their income due to the abolition of octroi. These bodies have to be compensated not only for the loss of their present income from octroi but also for the loss of potential income from that elastic source of revenue which could not be tapped again. If no compensation is to be given, the local bodies will have to make their own efforts to raise the requisite amount of resources in order to maintain their

present activities. In this case, there will be a clear need for substituting octroi by some other tax(es).

From the point of view of the local bodies, the easiest solution to the financial loss suffered by them due to abolition of octroi may be to recommend that the State government should compensate these bodies every year to the extent of potential loss of income from octroi calculated properly. This may be done by giving grants to the local bodies to that extent. The question that arises is as to how the State government is likely to raise funds to effect such compensation since the State itself usually runs large deficits and looks forward to the Central Government for grants and overdraft facilities. The need for raising resources by substituting other tax(es) in place of octroi must be faced ultimately.

The procedure of compensation for loss of potential income from octroi by grants from the State may not be welcomed by those local bodies who consider this to be reducing their autonomy by turning the local bodies to the status of "grant-in-aid" institutions. It is usually claimed by the local bodies (as is recorded in the Report of the Octroi Inquiry Committee for Gujarat) that the power to tax (and spend) provides these local bodies with opportunity for practising "democracy at grassroot level". The local bodies think that the abolition of octroi which is the only indirect tax levied by these bodies is likely to abridge their freedom and make them dependent on the State government for grants for various purposes in future also.

However, this aspect of the problem of the local bodies should not be played up too much. Even when octroi is abolished, there could be many other areas of raising taxes where the local authorities can improve their performance and contribute to making democracy function in a better way. Also, if so desired, it is possible to devise ways and means of involving local bodies in a limited way in

the efforts to raise and distribute alternative tax(es) by the State government.

If one were looking for an ideal tax system as propounded in economic theory under the conditions of perfect competition (both in the product and the factor market), the answer would be the abolition of not only octroi but all indirect taxes (including sales tax) and their substitution by only direct taxes (such as income tax). This is not practicable in a developing country like India where the scope of raising resources through direct taxes is limited because of the narrowness of the tax base in view of the limited number of individuals which would come under the purview of such taxes. With the need for evergrowing public expenditures for economic development, greater reliance has to be put on indirect taxes in our country. Moreover, neither any State government nor any local government has the Constitutional authority to impose income tax. Under these conditions, if the resources have to be raised by the local bodies to the extent as to compensate the loss of revenue from the abolition of octroi, they would be required to increase the rates of existing taxes tremendously. This would be so because of the high share of octroi income in total tax revenue of many of these bodies. Thus for example, in the case of Gujarat, municipal corporations will have to raise existing taxes by over 100 per cent and other local bodies by even greater extent to achieve that objective. This does not seem practicable.

There is, therefore, a need for substituting octroi by a fresh indirect tax. The new indirect tax must possess productivity and elasticity to a degree at least equal to that of octroi. Care should also be taken in devising the new indirect tax in such a way that the ultimate tax burden passed on to the consumer is not more than the burden of octroi shifted on to him. It should also be simple and convenient in operation from the point of view of both the tax-payer and tax collector. The rate structure should be so devised as to

accord with the canon of equity to the extent it is possible. This would require estimation of the incidence of such a tax by looking at the nature of goods and their likely consumers. And finally, the cost of collection of the new tax should be comparatively as low as possible.

#### *The Alternative : Turnover Tax on Dealers*

Sales tax is the only tax which possesses most of the characteristics required of the new indirect tax as listed in the immediately preceding paragraph. Thus, in the case of Gujarat, revenue from sales tax (including State's share under Central Sales Tax) amounted to approximately Rs. 55 crores during the year 1969-70 compared to the octroi income of about Rs. 12 crores during the same period. The annual average rate of growth of receipts under the sales tax of Gujarat during the period 1961-62 to 1969-70 as calculated by the (Gujarat) Octroi Inquiry Committee has been 19 per cent compared to 12 per cent in the case of revenue from octroi for all local bodies of Gujarat. Furthermore, the cost of collection of the State sales tax is estimated by this Committee to be about 2 per cent of the revenue whereas the cost of collection of octroi has been estimated to be around 8 per cent of octroi income for all local bodies of the State taken together (and about 4 per cent in the case of municipal corporations in the State). Considering these facts, the tax which should be substituted for octroi must be a tax on the volume of sales to be collected through the Sales tax department of the State. The Sales tax collection agency will need to be expanded marginally to collect the additional tax on sales. The cost of collection of the new tax will, therefore, be comparatively very small. If the loss of octroi income is to be made up by a surcharge on the existing sales tax structure, it is likely to work out to a rather high rate. Moreover, not all items which are at present subject to octroi are subject to sales tax. I, therefore, recommend the imposition of a *turnover tax on dealers* dealing in the trade of all items

which are at present subject to octroi. The list of dealers registered under the State sales tax will have to be extended to include all other dealers whose traded goods are not subject to sales tax but are subject to octroi tax at present. The Government of India will be required to permit the State authorities to impose turnover tax on commodities subject to additional central excise tax in lieu of sales tax (like sugar, textile, tobacco) which are otherwise subject to octroi tax at present. The Central government should not reduce the State's share of the additional central excise duties since the revenue from turnover tax on such commodities would be specifically earmarked for compensating the local bodies for the abolition of octroi. The turnover tax on dealers should be so devised as to generate a net revenue (*i.e.* net of cost of collection of the new tax) which would cover the entire loss of potential income of local bodies from the abolition of octroi.

The turnover tax on dealers should be based on differential rates for the various commodities. The commodities may be classified according to their nature of being necessities, comforts or luxuries considering the consumption pattern of the poorer, middle class and richer sections of the community. A very careful and judicious analysis of consumer behaviour will have to be undertaken before classifying commodities into the three broad categories suggested here. A further subdivision of commodities may have to be made within the groups of comforts and luxuries for imposing finer degree of differentiation of rates or turnover tax. In general, the tax rate on a luxury item will have to be higher than on an item considered as a necessity. However, the rate structure should not be made too complex as far as possible. What is more important is that special care should be taken to choose the differential rates of turnover tax in such a way that on most commodities

(especially in the groups of necessities and comforts), the price to the consumer does not rise above the price when these goods were subject to octroi. This will require a thorough research on the comparative incidence of taxation of the proposed rates of new turnover tax and existing rates of octroi. Experience based modifications of the rate structure of turnover taxes would have to be made to meet the twin objectives of raising sufficient resources to compensate the loss of potential income from octroi plus the cost of collection of the new tax and ensuring that the price of commodities classified as necessities and comforts to the ultimate consumer do not rise above what he was paying when these goods were subject to octroi.<sup>2</sup>

The turnover tax on dealers, as proposed above, should be collected in the same way in which the existing sales tax is collected mostly at a *single* point either at the first stage or the last stage.

In order to allow participation by the local bodies in the additional efforts required by the States Sales Tax department, the local bodies should be asked to *depute* some of their qualified octroi staff (which would otherwise become redundant when octroi is abolished) to assist the State authorities in administering the new tax. However, this may not solve the entire problem of the displacement of the octroi staff of local bodies. Special measures will have to be adopted by both the local bodies and the State government to solve this problem to the mutual satisfaction of the employer and the employees.

The timing and manner of financial compensation to be given to the local bodies deserves special treatment. As octroi has been a source of *daily* income with minimum arrears due from the taxpayers, the State government should make provisional payments on *monthly* basis to the local bodies to be adjusted later for

<sup>2</sup> This, of course, assumes that the sales tax structure remains constant when the comparative analysis of the incidence of the new tax and the octroi tax is made.

the amount due to them for the financial year under consideration. The income from the new tax (after deducting the cost of collection) should be specifically earmarked for distribution to the local bodies. No deductions should be made from this income with respect to any charges due from the local bodies to the State government.

### *Summing Up*

The alternative to octroi proposed in this article in the form of a *turnover tax on dealers* is by no means the ideal solution from the point of view of theoretical requirements of a good tax. Nor does the new tax meet all the shortcomings of the octroi tax mentioned in Part I of this article while presenting the case for the abolition of octroi. Nor has the complete solution to the problem of determination of the differential rate structure of the new tax and to all other problems connected with the switch to the new system been provided above. That would require a specially commissioned research study by a group of experts with the full assistance of the State government and the local authorities. However, the objectives and guidelines in the determination of the rate structure under the new tax and certain other aspects of the problems of switching to the new system have been formulated in this article. If properly carried out, the new tax would be a definite improvement over the octroi system in more than one way. The new tax would impose no financial loss—actual or potential—to the local bodies and in fact may provide them with even more lucrative source of revenue over time compared to the existing octroi system. It would also allow participation by the local bodies in helping the State authorities in the administration of the new tax. It would impose no additional burden on the poor consumer who has otherwise been silently bearing the burden of octroi tax. The rationalisation of the rate structure of the new tax could make this indirect tax as much progressive in its incidence on the consumers and

the dealers. It would remove all the harassment to traders and to the transport industry on the time consuming stops at the octroi check posts which would be permanently dismantled. It would do away with the difficulties of traders in getting back refunds due to them under octroi system. It would be more economical from the point of view of administrative costs of tax collection. And, hopefully, it is likely to reduce the scope for corruption by the officials connected with the administration of the new tax compared to the old one.

However, the new tax is likely to create its own problems. The dealers will have to keep and submit separate accounts of their sales subject to the State sales tax and the turnover tax. Moreover, the tax authorities will have greater responsibility in verifying and cross-checking the declarations of dealers with respect to their turnover under various commodities. The authorities may have to take special care to see that wherever the new tax lowers the supply (cost) price of the dealers compared to the old price, the benefit is passed on by the dealers to the consumers in the form of lower prices of those commodities. Despite these requirements, the dealers from whom the new tax is to be collected at one point are likely to welcome the substitution of octroi by the new turnover tax.

Finally, in closing, I may point out to the need for coordination of policies of the various States of the Indian Union on the abolition of octroi. Abolition of octroi by one State if matched with similar decision of the other States of the country would go some way towards reducing the inter-state distortions and artificial barriers to trade. The larger policy question for removing the distortions in the production, trade and consumption within all the States of our country would require coordination and rationalisation of the inter-state sales tax structure as well. Together, such a coordination of policies among States on the taxation front would remove the possibilities of trade diversion



and create a framework for taking maximum advantage of the benefits of free trade among the States of one country.

*Both production efficiency and consumption efficiency is then likely to be enhanced compared to the present position.*



# ORGANISATION AND MANAGEMENT OF MUNICIPAL UTILITIES: A CASE STUDY OF HYDERABAD

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The term "public utilities" appears to be an ambiguous one and the range of services covered by the term may vary from country to country and even within the country from time to time. In the past, in India, public utilities included water supply, ferries, markets, electric supply and transport. In the recent times some more thought is bestowed upon the needs, advantages and desirability of local bodies assuming more responsibility in operating, managing and controlling public utilities. It becomes necessary at this point to clearly distinguish between "municipal enterprises" and "municipal utility undertaking" so that the problems involved in operation, management and control of enterprises could be properly analyzed, studied and evaluated.

The basis of distinction seems to stem from two factors. One historical and the other from the theory of nationalisation. Local government organisation was looked upon as a compendious authority charged with social obligation to provide numerous services needed and demanded by the public. Viewed in this context, the local bodies were required to provide all services for common good. There was no question of profit motive and the guiding factor was only public welfare. This line of approach could be termed 'Political' as opposed to 'Economic'. Economic or profit concept is of recent origin and one is forced to discern the difference if one has to take into account the recent developments in public administration. Thus, wherever profit is involved, service is provided at a cost, when pricing has to be taken into account, the service in question, can be called "municipal enterprise"; whereas a service provided in the historical, compendious sense to discharge social obligations, it may be called a public utility. In India, until recently such distinction was not maintained. In their own interest local bodies in future should attempt such distinction.

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An urban body may be required to operate an undertaking for varied reasons, such as failure of private enterprise, public demand, the council's interest, initiative of Central and State governments. However, at the moment it is difficult to state which factor is more predominant.

If financial self-sufficiency is taken as a basis, municipal undertakings can be classified as under :

- (a) *Subsidised* : e.g. Provision of Health services, sanitary and social welfare activities. Subsidy justified because of social obligation involved.
- (b) *Self-supporting* : e.g. Transport, auditoria, etc. The commercial nature makes them self-supporting.
- (c) *Mixed nature* : e.g. Water supply and Zoo. During slackseason subsidy is required.

The following are classified as remunerative enterprises undertaken by the Hyderabad Municipal Corporation :

Municipal Markets;  
Shops;  
Slaughter houses;  
Lower Income Group Housing Schemes (L.I.G.H.S.);  
Sale of manure;  
Travellers bungalows;  
Cycle stands;  
Secunderabad Water Supply;  
Letting out of community halls for private functions; and  
Godowns.

If 'political' or 'economic' distinction is applied, all the above functions fall under the political category. Construction and letting out of shops should strictly come under economic group, but since the rents are fixed on the PWD Estimate and not on market consideration, in practice the economic nature tends to be ignored.

Classified differently on self-sufficiency basis, the following come under the subsidized category, i.e., Markets and L.I.G.H.S. Those coming under self-supporting categories are shops, slaughter houses, sale of manure and cycle stands, and the remaining like Secunderabad Water Supply and Travellers Bungalows come under "mixed nature".

At the State and Central levels the usual administrative patterns for public enterprises are: the Departmental form, the Corporation form and the Company form. At the Municipal Corporation and Municipality level at present, there are no such undertakings set up under separate legislation. Where there are some major enterprises such as BEST and Delhi Water & Sewage Disposal Undertaking, the set-up and organisation are spelt out in the Municipal Corporation Act itself. However, there is a proposal to set up a Slaughter House Development Corporation at Hyderabad.

There are four different patterns of management of municipal undertakings in India :

1. The BEST Pattern.
2. The Delhi Water & Sewage Disposal Undertaking Pattern.
3. The Hyderabad Pattern.
4. Direct Management of the Undertaking by the Municipal Corporation itself.

#### 1. *The BEST Pattern*

The Bombay Municipal Corporation under the provisions of the Corporation Act appoints a Committee called the BEST Committee to Conduct the affairs of the BEST undertaking. The Committee consisting of nine members includes the Chairman of the Standing Committee (*ex-officio*), at least one councillor and others, who may or may not be councillors, with experience in administration, transport, electric supply or engineering, industry

and commerce. The Committee is the deliberative wing of the Enterprise. The General Manager, usually an I.A.S. Officer, is appointed by the Corporation in consultation with the State Government, usually for a period of five years to manage the BEST Undertaking. He enjoys considerable amount of power and works under the broad supervision of BEST Committee and the Bombay Municipal Corporation.

## 2. *The Delhi Water and Sewage Disposal Undertaking Pattern*

This is a statutory undertaking functioning under the Municipal Corporation of Delhi and is responsible for entire system of water supply in the City right from source to the consumers and sewage collection and disposal. The Committee consists of four persons elected from among the municipal councillors and three nominated persons. The nominations are done by the Home Ministry (Lt. Governor) from officials from the Ministries of Health, Irrigation and Power, Public Works Department, etc. Chairman and Deputy Chairman are chosen from among the elected persons *i.e.* councillors, every year. The Committee is the deliberative wing of the undertaking and lays down the policies, approves the budget proposals, decides tariff for water supply, sanctions schemes costing more than Rs. 25,000 and accepts tenders costing more than Rs. 50,000 and makes appointments for posts carrying a basic salary of less than Rs. 350 per month, etc. The Executive authority consists of a number of Engineers who work under the general supervision of the Commissioner.

## 3. *The Hyderabad Pattern*

No specific mention is made of Municipal undertakings under the Hyderabad Municipal Corporation Act. Therefore, there is no statutory committee to look after management of remunerative enterprises. However, functions remunerative in nature are looked after by various special committees enjoining delegated powers

and duties. The proceedings of the special committees are subject to confirmation by the Corporation. The number of members is not fixed but they elect a Chairman and a Deputy Chairman from among themselves. The overall coordination is being done by an Estate Officer who has been appointed recently.

## 4. *The Secunderabad Water Supply*

For Secunderabad area, water supply is managed by the Corporation through the Commissioner who is responsible for the maintenance of Municipal Water Works.

It needs to be mentioned that the Governments of Mysore and Tamil Nadu have evolved a new pattern of management of Water Supply, which for a long time, has been an essential municipal function, under the Bangalore pattern, there is a statutory Board constituted to manage both source and distribution system. The Board's jurisdiction is co-terminus with the city limits. There is a Chairman at the head of the Board who is a technical man and who is appointed by the Government. The other members include Government Secretaries *ex-officio*, technical persons experienced in administration, finance, etc.

In Tamil Nadu on the other hand, there is a statutory board with its jurisdiction covering the entire State of Tamil Nadu. It is responsible for providing water supply to rural and urban areas. The Chairman is a non-official appointed by the Government and there are 5 Directors, one of them being the Managing Director, representing the concerned departments of the Secretariat. The *ex-officio* members are the Commissioner of the Municipal Corporation, the Chairman of the Chamber of Municipal Councils, the President, Tamil Nadu Panchayat Union and a person with wide experience in the field of Public Health Engineering.

The Hyderabad pattern may now be examined in some detail. The pattern is

unique in the sense that there is no single statutory authority to manage remunerative enterprises. At different levels of the Corporation, there are multiple agencies responsible to manage the enterprises viz., the Corporation, the Standing committee, the Commissioner, the Special Committees, the Estate Officer and the Public Relations Officers.

From the resolutions passed it is evident that the Corporation as a main policy making body is specifically interested in promoting public enterprises to augment its revenues. The resolutions relate to different works such as acquisition of existing markets, and their development, construction of New Markets, and modernization of slaughter houses.

The Standing Committee of the Corporation as a policy formulation committee, also appears to be interested in remunerative enterprises. The Committee has approved a scheme for the formation of Hyderabad Slaughter House Development Corporation.

The Commissioner is concerned with these enterprises only in a general way in his capacity as the Chief Executive to supervise and coordinate the activities of the Corporation.

More than one special committee is involved in the management of the remunerative enterprises. The Works Committee is responsible for the construction of new structures or extension of existing facilities relating to markets, shops, slaughter houses, etc. The Revenue, Licence and Markets Committee is concerned with the collection of rents, income from markets and slaughter houses, etc. The Planning Development and Slum Improvement Committee is in-charge of construction of community halls and multi-storied buildings as part of its slum improvement programme. This diffused pattern of responsibility for the management of a specialised function like municipal enterprises does not appear to be sound.

*Estate Officers :* In June, 1971 an Estate Officer was appointed to head a Cell created to manage and administer the properties belonging to or vested in the Municipal Corporation, such as lease of lands, collection of rents from municipal property (Shops and Markets), sarais (Lodging houses), instalments and rents from L.I.G. Houses, allotment of Municipal houses and eviction of unauthorised occupations, survey of open lands and clearing of encroachments. Slaughter houses are outside his purview. Strictly speaking, for purposes of effective co-ordination, the management of slaughter houses should also come under the Estate Officer. The Estate Officer works under the general supervision and control of the Commissioner.

*The Public Relations Officer :* The duties of the Estate Officer were previously looked after by the Public Relations Officer who at present looks after the municipal printing press installed in the year 1965.

As Table I shows, in almost all cases, the expenditure is less than the income. While this has to be the general pattern in the case of all municipal enterprises one cannot conclude that they are earning profit or being run on sound lines. With proper management and supervision, timely review of the financial position, it should be possible to get higher yield from the enterprises.

From the data presented in Table II, III and IV the general trend appears to be that the rents fixed are lower than the prevailing market rates. This is opposed to the sound and economic way of running municipal enterprises. But in some cases like subsidised housing and markets, in view of the public interest involved lower rates may be justified. Therefore, the crux of the problem in an evaluation of the profitability of the enterprise is how to strike a judicious and proper balance between the commercial nature of the activities and the imperative of social obligation.

**Table I**  
**Municipal Enterprises : Receipts and Expenditure**

Years	Markets		Slaughter Houses		Nampally Sarai	
	Receipts	Expenditure	Receipts	Expenditure	Receipts	Expenditure
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1966-67	2,51,547	1,29,508	4,37,507	1,11,423	58,774	22,719
1967-68	1,31,534	1,17,068	4,39,873	1,22,901	57,673	67,768
1968-69	3,18,106	1,40,989	4,98,621	1,56,211	70,061	39,457
1969-70	2,73,421	1,41,019	3,82,193	1,97,469	63,021	32,020

**Table II**  
**Municipal Shops or Malgies : Extent of Loss of Revenue**

	No. of malgies	Rent charged per unit	Market rate per unit	Difference i.e. loss per month
		Rs.	Rs.	Rs.
Kothi (Residency)				
Ground Floor	12	150	300	1,800
First Floor	12	100	200	1,200
Bus Depot	12	75	200	1,500
Moti Market	10	75	200	1,200
Sarai Nampally	3	200	300	300
		20	50	30
		40	120	80

**Table III**  
**Municipal Markets : Extent of Loss of Revenue**

	No. of Shops	Rent per month per unit	Market Rate	Difference (loss) per month
		Rs.	Rs.	Rs.
General Market	16	13	20	112
Mutton Stalls	6	15	25	60
Beef Stalls	11	14	20	66
Poultry Stall	14	9	12	42
Fish	14	5	15	140

**Table IV**  
**Municipal Godowns : Extent of Loss of Revenue**

	<i>No. of Blocks</i>	<i>Rent per month</i>	<i>Market Value</i>	<i>Difference (loss) per month</i>
		Rs.	Rs.	Rs.
Godown at Hissam Gunj	16	115	200	1,360
Godown at Old Jail	16	80	150	1,120

**Table V**  
**Municipal Enterprises : Estimated Revenue and Actual Receipts**

<i>Name of the Enterprise</i>	<i>Year</i>	<i>Estimated Revenue</i>	<i>Actual Receipts</i>
		Rs.	Rs.
Markets	1967-68	3,43,990	3,18,104.82
	1968-69	3,50,150	2,78,421.08
	1969-70	3,70,000	3,22,079.80
Slaughter Houses	1967-68	5,65,500	4,98,621.61
	1968-69	5,14,810	3,82,193.24
	1969-70	5,78,100	6,78,819.45
Nampally Sarai	1967-68	70,000	70,060.60
	1968-69	65,000	63,011.62
	1969-70	75,000	69,147.62

It is obvious from the figures in Table V that in most cases the anticipated income from the enterprises has never been realised. While the gap could be partly attributed to deficiencies in the budgeting system, the mode of collection might also have been responsible for it. Since the income from the enterprises is fairly stable, one would expect almost all the anticipated income to be realised and the receipts to show an increasing trend in successive years.

By their very nature and character municipal corporations and municipalities are expected to perform diverse functions,

but most of these have to be undertaken for the welfare of the people. Therefore, the local bodies are forced to incur huge deficit as a part of meeting their social obligation. No doubt they are charging fees for certain of these services rendered, but in most cases it is only a token fee and does not cover proportionately the cost of the services rendered. Under the existing circumstances they cannot meet the deficit from their own resources and hence the State Government must compensate this legitimate deficit incurred in public interest because the State Government has equal if no more responsibility for general public welfare in a socialist state.

*Apparent Failure :* By and large, the working of municipal enterprises has not been satisfactory mainly due to the following reasons. It appears that there is no clear policy regarding the local bodies running the enterprises. The Hyderabad Municipal Corporation Act does not contain any sections indicating the enterprises the corporation may take up. Further, the Corporation itself has not taken any effective step to clearly indicate the policy it would like to pursue in this regard. The emphasis in the last few years was on government entering into business; and when Central and State Governments have already made inroads in this field, it is strange that the Corporation has not yet amply caught the idea.

The State Government is responsible under the Constitution for proper and efficient functioning of the local authorities. Further, under the pattern of distribution of resources even if the States are not in a position to help the local bodies directly by way of allowing them to enjoy adequate independent sources of revenue, they could certainly give advice and directions and help the local bodies to undertake remunerative enterprises to augment their own resources.

As already pointed out, multiple agencies are dealing with an important and remunerative function like "municipal enterprises". Such an arrangement is not conducive to proper development of the undertakings on modern lines. They do not seem to have paid much attention to the question of setting up a unified organisation for the efficient management of the municipal enterprises.

Complexities in administration in general and municipal administration in particular demand the deployment of skilled personnel at various levels. The need for such skilled personnel in the field of municipal enterprises is very obvious. The Hyderabad Corporation was unable to secure their services for the following reasons :

(a) difficulty of the Corporation to

pay salaries high enough to attract trained talent;

- (b) desire of the trained experts to be completely insulated from the radiation of municipal politics and the consequent effects; and
- (c) inadequacy of the job satisfaction and limited scope for promotions.

The business community in the locality seems to bring to bear considerable influence when the municipal authorities fix the rents for the shops, market stalls and godowns which would often be pegged at the rock bottom level. The local authorities may be forced to let out on rent even at a lower rate than to face the audit queries as to why they were allowed to be left unoccupied. The economic or profit approach was not followed and it is absent even now. No rational principles were followed in fixing the fees, rates, rents, etc. The rates and fees were fixed long time back and there is need for revision. No review of the existing rates seems to have taken place in the recent past. Barring the proposals for setting up of the Slaughter House Development Corporation, attempts have not been made to establish and run new enterprises.

Although remunerative enterprises may bring return after a few years, they do require heavy initial investment which the Corporation does not possess. The Government's unwillingness to stand guarantee to the local bodies raising public loans works as a serious limitation.

### *Conclusions*

It is high time that a definite policy on Municipal enterprises is formulated. Necessary effort may be made by the State Government in future by giving proper directives to make local bodies get interested in the municipal remunerative enterprises. It is desirable that a separate committee of the council is constituted to exclusively look after the remunerative enterprises. Similarly, a separate department under the general supervision of the



Commissioner should be established. It may be headed by a person experienced in public enterprises and with intimate knowledge of municipal problems. Care must be taken to employ the needed technical personnel in the municipal enterprise department in sufficient numbers in future. To improve rent collection, experienced assessor or Rent Collectors may be required. As far as possible provision may be made in the rules putting the onus of payment on the tenant himself. The Local bodies must follow a Commercial approach in running the enterprises; and while fixing rent, prevailing market value should be the only consideration. The State Government should undertake to guarantee the loans raised by the local

authorities for purposes of undertaking remunerative enterprises. The Central Government, the Life Insurance Corporation and similar institutions should come forward with liberal conditions to help them raise the needed capital. Some O&M studies have to be made with regard to the organisation, functioning and future potentialities of the existing enterprises. As a result of such studies the Corporation should be able to explore the possibilities of entering into new fields of commercial activity, such as milk supply, manufacture and sale of bread, construction of auditoria, petrol pumps and theatres on modern lines, which have an ever-growing demand in a cosmopolitan city like Hyderabad.



# MUNICIPAL HOUSE TAX : A CASE STUDY IN HARYANA

The local bodies in India like those in the U. S. A. enjoy only delegated powers for raising taxes. The house tax generally known as tax on lands and buildings in India, owes its constitutional authority to item No. 49 of the State List, described as 'Tax on lands and buildings'. Traditionally, it is a tax on immovable property and thus furniture and fixtures and even industrial machinery do not come within the purview of the tax. The basis of assessment of the tax is the annual value of buildings and lands. As defined in the Municipal Act the term 'annual value' means the gross annual rent at which such buildings, or lands may reasonably be expected to be let from year to year.<sup>1</sup>

Modern techniques for sound house tax administration are practically unknown to the municipal councillors, improved methods of valuation and assessment and vigorous tax collection techniques have not yet been employed by the municipalities in Haryana. Consequently, the tax is either ignored or maladministered with the result that the optimum yield is never realised. Table I shows the revenue of the municipalities from the house tax over the past five years.

Though the percentage of revenue from the tax has increased from 10.94 in 1964-65 to 11.92 in 1968-69, the increase is not very encouraging. There is still scope for augmenting revenue yield from the tax.

On close scrutiny, several factors have been found to be responsible for the low productivity of the tax.

## *Defective and Outdated Machinery of Assessment, Revision and Appeal*

The existing machinery of assessment, revision and appeal has been responsible for causing much loss of revenue to the

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<sup>1</sup> *The Haryana Municipal Act, 1971, Sec. 3.*

**Table I**  
**House Tax as percentage to Total**  
**Tax Revenue**

<i>Year</i>	<i>Total Tax Revenue (Rs. in thousands)</i>	<i>Revenue from House Tax (Rs. in thousands)</i>	<i>Percentage to Total Tax Revenue</i>
1964-65	15,107	1,502	10.94
1965-66	19,530	1,947	10.53
1966-67	21,153	1,971	10.06
1967-68	24,019	2,527	11.40
1968-69	28,771	3,161	11.92

*Source :* Collected and compiled from :

- (a) *Statistical Abstract of Haryana for the year 1966, 1968-69 and 1969-70.*
- (b) *Statistical Abstract of Composite Punjab, 1965.*

municipalities from the house tax. The administrative responsibility for preparing the assessment list, hearing of objections and revision of the list lies on the committee and where there are executive officers, the preparation of assessment lists, hearing of objections and decision relating to the assessment lists vests in the executive officer. However, the number of municipal committees having an executive officer is very small and moreover the executive officer himself depends for his term of office upon the members of the committee who can remove him by a two-thirds majority vote. He is, therefore, very often influenced in the preparation of assessment lists by the members. All this means that the municipal councillors play the most significant role in determining property valuation. It is too much to expect that

the assessment made by the politicians, who depend on the votes of the assesseees or on the goodwill of the persons whose properties are to be valued, would be objective and fair. Group interest and party pressure weigh with them more than any other consideration in the preparation of assessment list. In a number of municipalities assessments are made and reduced arbitrarily for the benefit of assesseees to values which sometimes are even below those declared by the assesseees themselves.<sup>2</sup> Even if assessment is done with care and competence, its benefits are lost at the stage of appeal to the house Tax Sub-Committee consisting of elected representatives whose decisions may be either over sympathetic or biased. Highest pressures are exercised at this stage. The tax-payer makes clever bids to get his tax reduced. Of course, his success depends upon the degree of his influence upon the committee members.

Though the Municipal Act provides for appeal against the decision of the Committee to the District Magistrate, a large number of assesseees do not consider it worth while to file an appeal where stakes are not very large, on account of the trouble and expenses involved in the process.

If the municipal bodies are to ensure fair and efficient valuation of municipal properties and improve the revenue yield from the tax by eliminating malpractices of arbitrary assessment and under assessment which are so rampant in the municipalities now, they should give up the practice of property valuation by their own untrained and low-paid staff and bring into being an impartial and independent Central Valuation Agency for all the local bodies within the State.

<sup>2</sup> (a) The Municipal Committee Bari reduced the assessment of House Tax for the year 1965-66 amounting to Rs. 17,587 to Rs. 11,110 without specifying the ground for such reduction. *Annual Report of the Local Audit Department, Haryana, 1967, p. 7.*

(b) In Sirsa Municipality the House Tax Sub-Committee reduced the assessment of rental values of properties even below the annual rental values declared by the assesseees themselves. *Audit Report of the Municipal Committee, Sirsa, 1970, para 16(a).*

## Non-Utilisation

In spite of their poor finances, preventing them to maintain satisfactory standards of municipal services as well as undertaking town planning and other important schemes of public health and sanitation, not all the municipalities in Haryana have levied the house tax. For instance, in 1966-67 out of a total of 59 municipalities only 48 levied house tax. The non-levy of the house tax, besides depriving the municipalities of the much needed revenue, has also made them lean heavily on octroi-duty as the main source of their tax revenue, thus linking the entire strength and stability of their tax revenue as a whole with the fluctuations in the contribution from this single source of tax revenue.

There is an urgent need to ensure the levy of the tax by all the municipalities for achieving equity in tax-burdens as well as for attaining fiscal soundness. The State Government should, therefore, make effective use of Section 62-A, which empowers the government to compulsorily require a municipal committee to impose any tax and impose the tax itself in case of committee's failure to do so. Further, grants should not be released to those municipalities which fail to levy the tax until such time as the tax is levied by them.

### Under-Utilisation

Under-utilization of the tax has resulted in loss of revenue to the municipalities. The Municipal Act has fixed up a maximum at  $12\frac{1}{2}$  per cent upto which the local authorities have discretion to raise the rate of the tax<sup>3</sup>, but the actual rates charged by the municipalities fall short of this limit. This is illustrated in Table II.

It is clear that during the year 1966-67 only 4 out of 48 municipalities levied the tax at the statutory rate of  $12\frac{1}{2}$  per cent

Table II

### Actual Rates of House Tax Levied, 1966-67

<i>Number of Municipalities</i>	<i>Tax Rate percent</i>
17	$7\frac{1}{2}$
13	$6\frac{1}{2}$
4	$6\frac{1}{2}$
4	10
4	$12\frac{1}{2}$
3	8
3	$7\frac{1}{2}$

Source : District Municipal Year Book 1968.

while majority of them levied at rates which could hardly be termed reasonable. Since the burden of the tax falls directly on the residents, the municipalities are reluctant to levy it at sufficiently high rates. Invariably when the rate of the tax is raised, there is a general dissatisfaction giving rise to popular agitation and demand for its reduction. This finds support from the opponents of the party or group in power. It is, therefore, suggested that there should be a statutory minimum rate of 10 per cent on the annual rental value of the property as general house tax.

### No Periodical Revision of Assessment

As a rule, assessment of properties are to be revised every 3 years. However, for want of appropriate machinery, it is not unusual that the assessment lists are not regularly revised and the old lists continue to operate for a long time. This means that properties are taxed at their values prevailing several years back. The Annual Audit Report (1967-68) pointed out that "House Tax assessment was based on survey of properties conducted by Committees seven or eight years back. Thus the current rental values of the buildings were not taken into considera-

<sup>3</sup> The Haryana Municipal Act, 1971, Sec. 61(1)(a)(i).

tion, while in other cases the newly constructed buildings were not assessed to the tax."<sup>4</sup>

Periodical revision of the annual values of the buildings and lands is necessary for full utilization of the productive capacity of the tax. The executive officer should, therefore, be made accountable for the timely periodical revision of assessment work. He should maintain an up-to-date list of new buildings constructed and additions and alterations to existing buildings made since the last valuation. This would also expedite the work of valuation.

#### *Exemptions*

Low productivity of the house tax may also be explained by the fact that the municipalities make too much liberal use of exemptions. The classes of property to be exempted from the levy of the tax have not been specified in the Act with the result that exemptions

are wrongly granted.<sup>5</sup> Table III shows the total number of residential houses along with the number of houses subjected to and exempted from the tax by the municipal committees in Karnal District during the year 1966-67.

It is interesting to note that except in the case of Kaithal the number of houses exempted from the tax is quite large in every municipality. At places like Gharaunda and Shahabad the number of such houses is greater than the number of houses subject to tax. This is partly because of liberal use of exemptions and also partly because of the lack of proper scrutiny of the lists of houses enjoying exemptions. To improve the revenue yield from the tax the municipalities should scrutinize the lists of properties exempted from the tax carefully from time to time in order to see whether the exemptions given to such properties are justified or not. A proper scrutiny will show that a large number of houses which enjoy exemption may become liable to

**Table III**  
**Residential Houses subject to and Exempted from House Tax in Karnal District**

<i>Municipal Committees</i>	<i>Number of Residential Houses</i>			
	<i>Subject to Tax</i>		<i>Exempted from Tax</i>	
	<i>Private</i>	<i>Government</i>	<i>Private</i>	<i>Government</i>
Gharaunda	1,083	4	1,306	11
Kaithal	5,920	757	209	8
Karnal	8,516	45	4,511	—
Ladwa*	—	—	—	—
Panipat	25,837	125	10,226	125
Pehowa	1,820	15	600	—
Pundri	1,155	—	819	2
Radaur	800	2	—	—
Shahabad	1,878	—	2,352	—
Thanesar	4,291	—	—	427

\*In Ladwa no house tax has been levied.

Source : District Statistical Office, Karnal.

<sup>4</sup> *Annual Report of the Local Department, Haryana, 1967-68, p. 5.*

<sup>5</sup> See in this connection, *Inspection and Audit Report, Municipal Committee, Panipat, 1970-71, para 17.*

the house tax. Further, the principles of exemption should be laid down in the Municipal Act. Exemption should not be allowed on the ground of the annual rental values falling below Rs. 120 as at present provided the assessee has some other source of income besides immovable property.

#### *Arrears*

If the assessment of property is unsatisfactory, the collection of the tax too remains far from satisfactory. The municipal committees have woefully neglected the work of collection of the tax. Arrears continue to accumulate till they become irrecoverable and have to be written off. The accumulation of arrears may be attributed to the following factors :

- (a) Lack of proper and adequate collecting and supervisory staff;
- (b) unwillingness of the collecting staff to take prompt and timely measures for the recovery of the tax;
- (c) failure on the part of the State Government to take action under

Section 81 of the Haryana Municipal Act, 1971;

- (d) delay on the part of the Collectors to invoke the provisions of Land Revenue Act against the defaulters whose cases are reported to them;
- (e) delay on the part of the State Government Departments to clear the arrears outstanding against them;
- (f) delay in the preparation and completion of assessment lists and disposal of objections; and
- (g) unwillingness of the public to pay.

Table IV gives a clear picture of the position of house tax arrears in the municipal committees of Karnal district which represents the general position of house tax arrears in the municipal committees in the State.

It is surprising to note that the arrears, instead of showing any decline have been mounting up at places like Gharaunda, Shahabad, Pehowa and Panipat. Only in the Municipalities of Kaithal and

**Table IV**  
**Arrears of House Tax in Municipal Committees in Karnal District**

<i>Municipalities</i>	<i>Arrears on 1.4.1968 (Rs.)</i>	<i>Arrears on 1.4.1969 (Rs.)</i>	<i>Percentage of Collection</i>
Gharaunda	17,682	21,712	42
Radaur	12,106	8,081	66
Kaithal	33,063	89,715	72
Karnal	2,01,784	1,44,911	61
Panipat	17,683	1,53,845	47
Thanesar	1,21,328	47,147	72
Pehowa	14,392	18,055	50
Shahabad	19,864	34,024	50
Pundri	Not available		

*Source :* A study conducted by the author on *arrears of municipal taxes in Haryana*.

Thanesar the arrears have shown substantial reduction while in others only marginal improvements have taken place.

That the municipalities have neglected the work of recovery of arrears can be seen from the fact that the pace of recovery is below the mark of 90 per cent prescribed by the State Government.<sup>6</sup>

Another surprising feature of the house tax arrears is that a number of members of the municipal committees are among the defaulters.<sup>7</sup> In some cases, even the names of the President and the Vice-President figure in the list of defaulters.

Improvement in the machinery of tax assessment will by itself produce no tangible effects if the machinery of tax collection is also not improved simultaneously. The effective means to improve the collection machinery is to improve the efficiency of municipal personnel. The collection of tax now-a-days requires trained and competent persons. Unless the salary scales and conditions of service are made more attractive, it is difficult to attract the right type of persons for the job. There is further scope for improvement in collections if the following measures are taken :

- (a) The Executive Officer should be made responsible for tax collection falling below 75 per cent of the total demand.
- (b) The municipal committees should have the power to proceed not only against movable property but also against immovable property for the recovery of their taxes.

- (c) The State Government should provide an incentive grant to the municipal committees for prompt recovery of their taxes.
- (d) In case of repeated defaults in recovery of the tax arrears, the municipal committees should be made to lose the grants-in-aid either in part or even in full.
- (e) Incentive should be given where it has not been given for prompt payments by allowing rebate of 10 per cent on the tax due if the payment is made within the prescribed time. Conversely, a penalty should be imposed on late payments.
- (f) A provision should be made in the Municipal Act to disqualify a person in arrears of the municipal taxes from seeking election to the municipal body.
- (g) Mass contact campaign may be resorted to from time to time to stir awareness of the need for such collections of arrears. This exposes the defaulters to public criticism.

To conclude the future of municipal finance depends on the full exploitation of the tax on lands and buildings. Every effort should, therefore, be made to build up the optimum revenue yielding capacity of the tax through providing an impartial and independent machinery for property valuation, altering rates and improving collection machinery. Full exploitation of the tax will give the municipalities much relief from their present poor financial condition.

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<sup>6</sup> Composite Punjab Government Endorsement No. 9124-CI/4778, dated 8th December, 1965.

<sup>7</sup> In Municipal Committee, Dabwali Mandi, Rs. 90 on account of house tax arrears were outstanding against a committee member during the year 1967-68. *Annual Report of the Local Audit Department, Haryana, 1967-68*, p. 7.

# THE ANDHRA PRADESH MUNICIPALITIES ACT 1965 : AN ANALYSIS

P. A. JAMES\*  
AND  
A. AMRUTH RAO†

Until March 31, 1965, two different Acts governed the Municipalities in the State of Andhra Pradesh leaving out of consideration the law applicable to the twin cities of Hyderabad and Secunderabad, i.e. the Hyderabad Municipal Corporation Act, 1956. The Madras District Municipalities Act of 1920 (hereinafter called the Madras Act) was in force in the Andhra area, while the Hyderabad District Municipalities Act, 1956 (hereinafter called the Hyderabad Act) was applicable to the Telengana area.

In drafting the Bill, the Government was guided by three main considerations : First, as in other sectors of administration, the municipalities as operating in two regions of the State should follow a uniform pattern of administration which may be conducive to economy and administrative convenience without detriment to regional interest. Secondly, elected functionaries of the municipalities should have more voice in the actual administration of municipalities<sup>1</sup> which they did not have under the Madras and Hyderabad Acts. Thirdly, the State control of municipalities should be minimised to possible and practical extent.<sup>2</sup>

It may not be out of place at the beginning to examine the factors that prompted the Minister-in-charge of Municipal Administration to bring about radical changes in the municipal structure of the State. The Minister himself had acted once as the Chairman of a Municipality. During his tenure of office, he found that the Chairman was ineffective and that there was too much interference from the officials in the working of democracy at the municipal level. No wonder, that he was the moving spirit behind the framing and enactment of the Act. The Act bears

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<sup>1</sup>To a great extent this may be attributed to late Shri Alapati Venkataramayya, Minister, Municipal Administration Department, who actually piloted the Bill. He was greatly influenced by his past association with the Municipal Administration.

<sup>2</sup>The Andhra Pradesh Municipalities Bill, 1963 (Bill No. 18 of 1963), Statement of objects and reasons, p. 204.



a clear stamp of its indebtedness to his views. This is evident from some of the arguments he advanced inside and outside the legislature in support of certain new institutions which were incorporated in the Act. Several of the members of the State Legislature who hailed the new provisions, went to the extent of calling him as the "Andhra Ripon".<sup>3</sup> Had he not incorporated some of the methods of control of municipal administration common to other States, perhaps he would have richly deserved the title.

The framers of the Act of 1965 seem to have been influenced also by the Report of the Ratnasabhpathi Mudaliar Committee appointed by the Madras Government in 1949. The impact of the Report on the present Act is quite visible in respect of its following components :

- (i) the division of municipal wards,
- (ii) the composition of the council,
- (iii) the relationship between the Council and its Chairman, and
- (iv) the Chief Executive Officer and other municipal personnel.

The Bill was introduced in the Andhra Pradesh Legislative Assembly on December 11, 1963.

The changes recommended by the Joint Selection Committee may fall into three categories: those which are innovations; those which are radical in character; and those of minor importance as far as

municipalities are concerned. The changes which may be regarded as novel in character were :

- (i) the constitution of an Executive Committee,<sup>4</sup> which would be in office for a period of one year from the date of its election; the Chairman and Vice-Chairman of the Council to be *ipso facto* the Chairman and Vice-Chairman of the Executive Committee respectively.
- (ii) provision of additional seats for Aldermen on a graded basis<sup>5</sup> to be elected by the elected members and *ex-officio* councillors from amongst any of the following categories : Ex-Chairman, Ex-Vice-Chairman or Ex-Councillors of the Municipality, retired gazetted officers of the State Government or Central Government, or persons who had practical experience in the administration of any local authority.<sup>6</sup>
- (iii) acquisition by municipalities any immovable property otherwise than under the provisions of the Land Act, 1894.

The following changes to some extent radical in character were suggested by the Joint Selection Committee :

- (i) the incorporation of Section 254(1) of the Hyderabad District Municipalities Act, 1956 governing the

<sup>3</sup> *Andhra Pradesh Legislative Assembly Debates*, Official Report, Vol. IX, 1964, p. 298.

<sup>4</sup> The strength of the Executive Committee varied according to the grade of the Municipality, in the case of :

- |  |             |
|--|-------------|
| (i) third or second grade municipalities | one seat    |
| (ii) for first grade municipality        | two seats   |
| (iii) for special grade municipality     | three seats |

<sup>5</sup> The gradation was :

- |   |             |
|---|-------------|
| (a) for third and second grade municipalities | one seat    |
| (b) for first grade municipalities            | two seats   |
| (c) for special grade municipalities          | three seats |

<sup>6</sup> The Report of the Joint Select Committee, *Andhra Pradesh Municipalities Bill 1963*, *op. cit.*, Vol. II, pp. 23-24.

- dissolution of the municipalities in the Bill but the time for the reconstitution of the municipality after dissolution, was reduced from three to two years,<sup>7</sup>
- (ii) the assessment for purposes of property tax, of owner occupied buildings on the capital value of lands or buildings and in other cases on the rental value,<sup>8</sup>
  - (iii) the exclusion of defined local area from a municipality by government by notification,<sup>9</sup>
  - (iv) the motion of no-confidence to be carried out with the support of not less than two-thirds of the total membership of the Council,
  - (v) reconsideration of the Council's resolutions if they are in the opinion of the Chairman, in excess of the powers of the Council or inconsistent with any law,<sup>10</sup>
  - (vi) municipalities' right to demarcate the places for the location of the industries, and
  - (vii) the inclusion of a post of an Educational Officer in the Municipal Establishment.<sup>11</sup>
- All other changes made by the Joint Select Committee were minor in nature, such as :
- (i) the abolition of octroi,
  - (ii) the levy of the advertisement tax,<sup>12</sup>
  - (iii) the classification of municipalities into five categories, on the basis of income,<sup>13</sup> is shown in Table below,
  - (iv) permitting the Chairman to incur a contingent expenditure unless such expenditure was expressly prohibited by the Council, but the expenditure that could be incurred varied according to the status of the Municipality<sup>14</sup>, and

<i>Grade of Municipality</i>	<i>Annual income</i>
Third Grade Municipality	Not more than Rs. three lakhs
Second Grade Municipality	More than three lakhs and not less than six lakhs,
First Grade Municipality	More than Rs six lakhs and not less than ten lakhs.
Special Grade Municipality	Rs. ten lakhs and above.
Selection Grade Municipality	More than ten lakhs and declared so by the Government having due regard to its population, extent and commercial importance.

<sup>7</sup> The Report of the Joint Select Committee, *Andhra Pradesh Municipalities Bill 1963*, op. cit., p. 40.

<sup>8</sup> *Ibid.*, p. 53.

<sup>9</sup> *Ibid.*, p. 7.

<sup>10</sup> *Ibid.*, p. 33.

<sup>11</sup> *Ibid.*, 45.

<sup>12</sup> *Ibid.*, p. 68.

<sup>13</sup> *Ibid.*, p. 3 and 4 (for details see Appendix C).

<sup>14</sup> The variation was as follows in case of :

- (a) for third grade and second grade municipalities : Rs. 250.
- (b) first grade municipality : Rs. 500.
- (c) special and selection grade municipalities : Rs. 1,000.

- (v) payment of honorarium to the Chairmen of the Municipalities.<sup>15</sup>

The changes that were finally recommended by the Regional Committee were not of any far reaching effect. For instance the Committee in regard to the composition of the Council felt that a specific provision should be made for reservation of at least two seats for women, and in regard to certain powers of the Municipal Secretary, the Committee felt that he should have power to inspect places of entertainment and check up the tickets sold.

As regards Town Planning, the committee, however, decided that the provisions contained in Chapter XIV of the Hyderabad District Municipalities Act, 1956, should be incorporated in the Bill.

The Act was given effect from April 2, 1965<sup>16</sup> resulting in the repeal of :

- (i) The Andhra Pradesh (Andhra Area) District Municipalities Act, 1920 (Act V of 1920);
- (ii) The Andhra Pradesh (Telengana Area) District Municipalities Act, 1956, except Chapter XIV dealing with Town planning;
- (iii) The provisions of the Government Buildings Act 1899 (Central Act 4 of 1889) applicable to buildings within the limits of municipalities constituted or deemed to be constituted under this Act; and

- (iv) the Provisions of Sections 89, 90 and 94 of the Andhra Pradesh (Andhra Area) Public Health Act 1939 (Act III of 1939)

The present Act contains 391 clauses arranged under seven Parts with VIII Schedules and an Appendix.

It may now be desirable to distinguish the present Act from its previous Acts in force in the State. The most distinctive feature of this Act, is its area of jurisdiction which is co-terminous with that of the State. Secondly, the Executive Committee which is elected by the Councillors is constituted for the first time, as one of the municipal authorities charged with the duty of carrying out the provisions of the Act.<sup>17</sup> Thirdly, the office of the Secretary, appointed by the Government is instituted. The Secretary, however, does not have the same powers as that of the Commissioner although regarded as one of the municipal authorities charged with carrying out the provisions of the Act.<sup>18</sup> Fourthly, there are four authorities, viz., the Chairman, the Council, the Executive Committee and the Secretary as against three authorities in the preceding Acts. Fifthly, in relation to the structure, organisation, and functions of the Council, the Act stipulated a number of changes. The term of the Council has been fixed at five years. Provision has been made for the election of Aldermen to secure the services of persons of standing, having experience in municipal administration.<sup>19</sup> Sixthly, the Chairman of the Council who is also the Chairman

<sup>15</sup> The rates prescribed were in the case of :

- (a) third and second grade municipalities : Rs. 150
- (b) a first grade municipality : Rs. 200
- (c) special and selection grade municipalities : Rs. 250

Vide Report of the *Joint Select Committee, Andhra Pradesh Municipality Bill, 1963, op. cit.*, p. 33.

<sup>16</sup> *Act of 1965*, Section 1(3)

<sup>17</sup> *Act of 1965*, Section 28.

<sup>18</sup> *Ibid.*, Section 29.

<sup>19</sup> *Act of 1965*, Section 9.

of the Executive Committee is vested with veto powers.<sup>20</sup> Provision is incorporated for payment of honorarium to the Chairman.<sup>21</sup> Seventhly, the rigour of the methods of control is reduced by altogether eliminating the provision of supersession; and municipalities now could only be dissolved. Eighthly, on the financial side, advertisement tax is introduced even in the Andhra area, and Octroi, toll tax and tax on motor vehicles are abolished. But, compensation for the loss of income from toll tax and tax on motor vehicles is provided for.<sup>22</sup> Finally, the Government is vested with power to constitute water boards for local authorities to ensure water supply to the areas under the municipalities.<sup>23</sup>

It may now be relevant here to analyse the provisions which have affected the municipalities as they were in operation in two regions of the State consequent to the introduction of the Act. Both the Andhra and Telengana Municipalities have undergone quite a few changes.

First, there are changes which are entirely new to both the regions such as the institutions of Aldermen, the Executive Committee, and the office of the Secretary. Secondly, there are certain aspects of municipal administration which were in operation in the Andhra region and which have now been extended to Telengana like the provision of the five year term of the Council. Thirdly, there are certain aspects of municipal administration which operated in Telengana before 1965, and which have been accepted under the new Act and extended to Andhra region, such as those relating to Town Planning. Fourthly, there are certain municipal institutions which were in operation in the Andhra region but which have now been abolished, like the office of the Commissioner and supersession of municipalities as a mode of State Control. Fifthly, there are certain sources of municipal

finances which were in existence in the Telengana region but which have been abolished under the New Act, like Octroi. Finally, there are municipal institutions which are allowed to continue in their modified forms or designations. The position of the Chairman of the Telengana municipalities is very much modified (like that of Andhra though to a lesser degree) to the advantage of the Executive Committee. If the Council in both regions has emerged powerful, the Executive Officer of Telengana after losing many of his powers continues as Secretary.

The Andhra Pradesh Municipalities Act, 1965, was in force from 1965 to February, 1971. It was considered necessary by the Government to amend the Act to rectify some of the difficulties and defects experienced in the working of the Act. It may be mentioned here that there was no proper executive authority to implement the resolutions of the Council as the Executive Committee consisting the elected councillors was found to be quite ineffective to discharge the responsibilities entrusted to it under the Act. Further, the down-grading of the Commissioner as the Secretary has resulted in numerous deadlocks for want of authority on the part of the Secretary to tackle the problems that arose. Accordingly, the Act of 1965 was amended and came into force from February 1971. The Act of 1965 has thus been amended by the Andhra Pradesh Municipalities (Amendment) Act 1971. The amendment Act of 1971 has brought into force the following changes in the administration of municipalities:

- (1) the Executive Committee has been abolished;
- (2) the Secretary is now designated as the Commissioner; and
- (4) the institution of Aldermen has been abolished.

<sup>20</sup> *Act of 1965*, Section 47(1)(c).

<sup>21</sup> *Ibid.*, Section 54.

<sup>22</sup> *Ibid.*, Section 123.

<sup>23</sup> *Ibid.*, Section 135

Under the amended Act the position of the Chairman, it can be said, remained more or less the same, although the balance has slightly been tilted in the favour of the Commissioner. However, the Chairman continues to have his superior position by virtue of the following:

- (1) the Commissioner is placed under the administrative control of the Chairman for purposes of discipline and conduct;<sup>24</sup>
- (2) the Chairman is a member of the Contracts and Appointments Committees now revived under the amended Act; and
- (3) the appointment to the posts of Head Masters and Head Mistresses shall be made by the Chairman from a panel prepared by a committee of which the Chairman is a member.<sup>25</sup>

The Commissioner seems to have gained more or less his old position and status, because as per the amended Act the Commissioner is the executive authority to complement the resolution of the council and he is in charge of the municipal office and can exercise all powers relating to collection of taxes, fees, removal of encroachments, etc. The

Act<sup>26</sup> now specifically states that subject to the restrictions and limitations imposed the exercise of the executive power is vested in the Commissioner, as under the 1920 Act the Commissioner continues to be a member of the Contracts and Appointments Committee.

Thus, the amended Act provides for a new pattern which was existing under the 1965 Act, but which very nearly approaches and resembles the pattern under the 1920 Act. With this difference that now the Chairman can in addition exercise administrative control over the Commissioner, and the Commissioner has almost the same position, prestige, powers and functions including that of coordination, except that he has to work under the broad administrative control of the Chairman. As to how harmonious the relations between the Chairman and Commissioner will be under this amended set up can only be judged after the municipalities work with the new system for reasonable length of time. On the face of it appears that keeping the Commissioner under the administrative control of the Chairman does not appear to be an appropriate solution for some of the problems encountered because of the disharmonious relationship that existed between the Commissioner and the Chairman under the 1920 Act.

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<sup>24</sup> Section 28(4), Amended Act of 1971.

<sup>25</sup> Section 34 of the Amended Act.

<sup>26</sup> Section 28(1)(c)

# BUILDING RULES : THEIR NATURE AND PURPOSE

*"Si utere tuo, ut alienum non laedus"*  
(So use yours that you do not harm another). This principle has been accepted in every civilised society. It forms the basis for the development control (or exercise of 'police powers' in the context of urban growth). Control over land subdivision and building construction activity by local authority may appear to be an interference with the traditional property rights and individual liberties but such control is inevitable if chaotic growth of towns is to be avoided.

Building bye-laws, zoning-laws, land subdivision regulations and statutory town planning schemes are tools through which 'police powers' are exercised. The primary purpose of these controls has been taken to be to promote the health, safety, morals and general welfare of community.

## *Image of Building Rules*

By tradition, the administration of building rules in our urban areas has been the function of 'municipal bodies. The mention of building rules brings different images to different persons. To the citizen, it often symbolises a source of harassment and corruption; to the elected councillor it represents a cause for pressure by prospective voters to interfere with the enforcement of the rules by the executive wing; to the executive officer, it symbolises a cause for headache, and friction with elected members; to the building inspector, it sometimes stands for sources of additional income and influence in the town; and, to the town planner it represents an ideal (*viz.*, the orderly growth of towns). Thus in discussing building rules, we are dealing with a very sensitive area of municipal administration.

G. B. KRISHNA RAO\*

## *Contents and Procedures*

Building rules are usually framed by the State Government or local body under

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the powers conferred by the municipal Act. If framed by the local body, they do not come into force unless approved by Government. The drafts are published for public comments before being finalised.

Building rules specify standards relating to structural safety of building, internal dimensions of rooms, light, ventilation, open spaces to be left on plots around buildings, minimum standards for facilities like kitchen, latrine, bathroom and sanitation. Building rules are applicable to all sites within a municipal area. Under the municipal act, no party can make construction or reconstruction or addition or alteration to a building or compound wall or hut or make a material change in land use without applying in the prescribed manner and obtaining a licence from the municipal body, which takes into account the building rules and other statutory provisions while disposing of the building applications. In some cities, the executive officer of the local body has powers to pass final orders on the building applications while elsewhere this power rests with a Standing Committee set up by the elected body. The State Town Planner (or, in some cases, the appropriate committee of the local body) has powers to grant exemption from the operation of building bye-laws in any cases of hardship. Any building constructed without obtaining permission from the local body or in deviation from approved plans is treated as an unauthorised construction by the local body and appropriate action is taken against it through demolition or prosecution in a court or collection of a compounding fee.

### *Objectives of Building Bye-Laws*

As mentioned earlier, the enforcement of building rules causes harassment and inconvenience to many. Delays in receipt of orders on building applications and corrupt practices are rampant. Can we manage without building rules? An attempt will be made here to identify certain technical considerations which lie

behind some of the provisions in building rules. It would be useful for a Housing Manager or a municipal officer in charge of this branch of activities to be aware of this so that he can enlighten the tenants and citizens in this regard and ensure that these rules are not violated. Structural dimensions for walls and foundations are specified in the rules so as to ensure the safety of the residents of the building. Minimum standards relating to side and rear open spaces are laid down in the rules so as to control the coverage in the interests of light and ventilation. Floor space indices and residential densities are also specified keeping in view the capacity of the infrastructure (like water supply, drainage mains for the area) and in the interests of light and ventilation. Height of building is regulated primarily on consideration of daylighting for residents of the building and adjoining structures, fire-fighting requirements, capacity of streets in front for handling traffic and infrastructure. Front open space, apart from ensuring privacy, ventilation for the residents, serves to enhance the aesthetics of the street picture and provides scope for future street-widening. Living rooms must comply with specified minimum dimensions so as to make them functional and healthy for human habitation.

Thus the building rules serve a vital purpose. In fact, the growth of towns and cities in India during the course of this century has been influenced more by the enforcement of municipal building rules and through the activities of city improvement trusts than by the implementation of master plans which are of a comparatively recent origin. The building rules are useful as a tool for implementing certain policies of the Master Plan since, for example, density proposals in the Master Plan for build-up areas cannot be enforced unless incorporated in the building rules indirectly.

To cite an example, the Delhi Master Plan's proposals for reduction of densities in old Delhi city have not been translated

into reality because they were not incorporated in the building bye-laws.

### *Defects in Building Rules*

In spite of their obvious importance, most of the structural standards prescribed in these bye-laws are obsolete and uneconomical. In some cases, the building bye-laws, framed more than two decades ago, are still in vogue (e.g. Building Rules 1942 of Madras). It looks absurd to control modern architectural design with these outdated bye-laws. For instance, these bye-laws often still prescribed a minimum height of 10 ft. for a living room while the said height is not considered absolutely necessary now-a-days. The minimum thickness for walls, as specified in the bye-laws, is quite uneconomical.

To cite another example, Delhi is perhaps the only metropolis in the world which does not allow residential structures to exceed  $2\frac{1}{2}$  storeys in height within the municipal area except in certain specified location. This has resulted in an extensive sprawl of the metropolis.

What is needed, therefore, is to frame new sets of bye-laws keeping in view modern architectural trends and standards of public hygiene. The Indian Standards Institution (New Delhi) has published recently a National Building Code, which could be taken into consideration by local authorities in revising the bye-laws.

The standards prescribed in the building bye-laws become the maximum to be followed by the developers instead of being the minimum as these are intended to be. The standards in the bye-laws with regard to front, side and rear spaces are usually the same irrespective of the size of the plot. For instance, whether the plot is  $1/12$  of an acre or  $1/2$  an acre, the same 10 ft., rear open space is normally required. Delhi and Bombay are two exceptions in this regard. The standards prescribed in building bye-laws are

uniformly enforceable to all parts of the city irrespective of particular needs of any locality. This defect will evidently have to be overcome by framing zoning laws or statutory town-planning schemes for specific areas. An excellent device is the Bombay Development Control Rules which incorporates land-use proposals of Master Plan, zoning proposals, subdivision, and building bye-laws.

The standards laid down in the bye-laws are usually not tailored to suit the needs of lower income people, who constitute more than 80 per cent of the population of our cities and for whom survival rather than attainment of standards is the objective. Local authorities should set apart some areas for low-income housing, wherein the standards laid down should be the minimum possible. Perhaps in some areas, it would suffice if the parties leave a specified percentage of plot as vacant and no other standards need be applied to such cases. For instance, provision of a separate kitchen or bath room or side space could be dispensed with in such cases. The bye-laws do not facilitate construction of low housing, group housing, high buildings and pre-fabricated housing.

There is an increasing awareness in the developed countries that the bye-laws should contain standards which are more performance-oriented rather than specification-oriented. There might be practical difficulties in introducing this concept in a big way in the bye-laws of our cities but there should be scope for viewing liberally any individual cases of original design, which may not literally be in accordance with the standards of the bye-laws but is satisfactory from a performance point of view. There is often dual control exercised by the local body as well as improvement trust in some cities and the intending developers have to go through the ordeal of applying to both authorities for permission. The difficulties involved in this process are obvious and attempts should be made to remove these.



In large metropolitan areas, there is need for setting up an advisory committee consisting of eminent architects or artists, and leading citizens of the city (much like the Royal Fine Arts Commission of London). The opinion of this committee could be obtained by the local body before passing final orders

on applications for the erection of high buildings, and developments in the vicinity of monuments or historic squares. If the city is to be made beautiful, there should be imaginative building bye-laws which should also be enforced imaginatively.



# THE INDUSTRIAL DISPUTES ACT AND THE MUNICIPAL EMPLOYEES

M. K. BALACHANDRAN\*

The question whether and to what extent the municipal employees are covered by the Industrial Disputes Act, still remains unsettled. The judiciary has been confronted with this issue on several occasions resulting in a number of rulings on the point; but an examination of the various judicial decisions would reveal that the judiciary has not been very consistent in interpreting the relevant provisions of the Act and some of the recent pronouncements have even left the position somewhat confused. It has been aptly observed by a former Chief Justice of the Supreme Court that the judicial interpretations "disclose a procrustean approach to the problem".<sup>1</sup> An attempt is made in this article to examine the existing situation in the light of the various judicial decisions on the point.

## *Provisions of the Industrial Disputes Act*

It would be appropriate to consider briefly the various provisions of the Act which have a bearing upon the question. The Industrial Disputes Act 1947<sup>2</sup> was enacted by the Central Legislature<sup>3</sup> to make provisions for the investigation settlement of industrial disputes and for certain other purposes mentioned therein. It lays down certain procedures for the prevention and settlement of industrial disputes by anyone or more of the methods provided in the Act viz., negotiation, conciliation, arbitration and adjudication and provides for this purpose the machinery of Works Committee, Conciliation Officer, Board of Conciliation, Court of Inquiry, Labour Court, Industrial Tribunal and National Tribunal. Section 2 of the Act

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<sup>1</sup> Mr. Justice Hidayatullah (as he then was) in A.I.R. 1968 S.C. 554, p. 560

<sup>2</sup> The Industrial Disputes Act, 1947 will be hereafter referred to as the Act in this article.

<sup>3</sup> Under the Government of India Act, 1935, "Trade Unions, Industrial and Labour Disputes" was included in the Concurrent List as item 29. The subject continues as Entry 22 of the Concurrent List under the Constitution. Since the subject is under the Concurrent List, both the Central Legislature as well as the State Legislatures have powers of legislation over it. In exercise of this power, some of the States have enacted separate legislations governing the subject, presumably to make the central legislation suitable to local conditions.

defines, *inter alia*, the expressions "industrial dispute"<sup>4</sup>, "industry"<sup>5</sup>, "workman"<sup>6</sup> and "employer"<sup>7</sup>. The provisions of the Act can be invoked only if the dispute in question is an "industrial dispute", the establishment in which the dispute arises is an "industry", and the employees raising the dispute are "workmen" as defined under the Act.

The definition of the expression "employer"<sup>8</sup> in the Act clearly indicates that the policy of the Act is to include within its purview a local authority also, if it carries on an "industry" as defined under the Act. According to the definition, a local authority may become an "employer" if it indulges in an activity which can be categorised as "industry" under the Act, and in that case, it may be involved in an "industrial dispute" and would be covered by the provisions of the Act. The whole question, therefore, whether a local authority would come under the purview of the Industrial Disputes Act or not would depend upon the meaning given to the definition of the expression "industry" under the Act.

#### *What is an "Industry"?*

The statutory definition of "industry" has been given different interpretations at different times by the judiciary at various levels.<sup>9</sup> This was natural because the definition has been worded widely, leaving a wide scope for judicial interpretation. According to the definition, "industry" means "any business, trade, undertaking, manufacture or calling of employers and

includes any calling, service, employment, handicraft or industrial occupation or avocation of workmen". In one of the earlier cases<sup>10</sup> it was pointed out by the Court that in the definition, while the word *industrial* was used to qualify the words "occupation or avocation of workmen", it was not used to qualify the words "any calling service, employment or handicraft of workmen" or the terms "business, trade, undertaking, manufacture or calling of employers" and therefore any undertaking and any service or employment of workmen in such an undertaking would be an industry.

#### *Conservancy Department—An "Industry"*

The Court, in this case, was confronted with the question whether the conservancy department of the Budge Budge Municipality was an "industry" and whether the dispute between the employees and the Municipality in that department was an "industrial dispute" as defined under the Act. The dispute arose when the Head Clerk and a Sanitary Inspector of the Municipality were dismissed by the Chairman as provided under the Bengal Municipal Act, 1932. The Industrial Tribunal to which the propriety of the dismissal was referred to by the Government, gave an award directing the Municipality to reinstate the dismissed employees on the ground that the dismissal was a case of victimisation. Aggrieved by the award, the Municipality took the matter before the High Court questioning its validity mainly on two grounds, viz., (i) that the Act was not applicable to the dispute in

<sup>4</sup> Section 2 (k).

<sup>5</sup> Section 2 (j).

<sup>6</sup> Section 2 (s).

<sup>7</sup> Section 2 (g).

<sup>8</sup> Section 2 (g) : "employer" means—(i).....(ii) in relation to an industry carried on by or on behalf of a local authority, the chief executive officer of that authority.

<sup>9</sup> Compare, for instance, the decision of the *Hospital Mazdoor Sabha* Case (A.I.R. 1960 S.C. 610) with that of the *Safdarjung Hospital* Case (A.I.R. 1970 S.C. 1407) and also the decisions of the *Nagpur Corporation* Case (A.I.R. 1960 S.C. 675) with that of the *Ambala Cantonment Board* Case (A.I.R. 1961 Punj. 416). These cases are discussed below in detail.

<sup>10</sup> *Municipal Commissioner of Budge Budge Municipality v. P. R. Mukherjee and another* (A.I.R. 1950 Cal. 457).

question as the Municipality was not engaged in any "industry" as defined under the Act, and (ii) that the Act was *ultra vires* in as much as it allowed the tribunal to reinstate the employees and to that extent trench on the powers of the Chairman to appoint and dismiss the employees under the Bengal Municipal Act.

Regarding the latter point, the Municipality contended that "the powers of a municipality" was a state subject to be dealt with exclusively by the State legislatures and since the Industrial Disputes Act which was a Central Act, interfered with those powers, it was invalid. The Court rejected this contention and held the Act valid on the ground that the pith and substance of the Act was "industrial and labour disputes" on which the Central Legislature had the power to legislate, and not the "powers of a municipality", and that the trespass or invasion was merely incidental.

As regards the major contention that the Act did not apply to municipal bodies, the Court held :

"A municipality carries on an undertaking or undertakings and, therefore, its employees must be regarded as being employed in industry and, therefore, the Industrial Disputes Act can apply to disputes between such employees and the municipality".<sup>11</sup>

The Supreme Court, on appeal, confirmed the decision of the High Court and observed :

"Having regard to the definition found in our Act, the aim or objective that the Legislature had in view, and the nature, variety and range of disputes that occur between employees and employers, we are forced to the conclusion that the definition in our

Act includes also disputes that might arise between Municipalities and their employees in branches of work that can be said to be analogous to the carrying out of a trade or business".<sup>12</sup>

It may be mentioned here that the High Court had not made it clear whether all the activities of a municipality would be covered by the definition of "industry" and whether the Act would be applicable to all the employees of a municipality irrespective of the departments in which they were employed. The position, however, was clarified by the Supreme Court by holding that only such activities of municipalities which could be said to be analogous to trade or business would be "industry" within the meaning of the definition. The Court has correctly pointed out that some of the functions of the municipality might appertain to and partake the nature of an "industry", while others might not.

The Supreme Court pointed out that the inclusion of the word "undertaking" in the definition along with the words "business or trade" would clearly show that "undertaking" should be construed to mean something different from what was ordinarily understood by "business or trade". The definition, therefore, "apparently intended to include within its scope what might not strictly be called a trade or business venture".<sup>13</sup> This meant that for an activity to be an "industry" it was not necessary that it must be carried on by private enterprise or must be commercial or result in profit; nor was it essential that the activity must be strictly trade or business. It was sufficient if the activity was analogous to the carrying on of a trade or business and involved the cooperation between employers and employees. Applying these tests and giving the word "undertaking" a wider import, the court held that the

<sup>11</sup> *Municipal Commissioner of Budge Budge Municipality v. P. R. Mukherjee and another*, op. cit., 460.

<sup>12</sup> *D. N. Banerji v. P. R. Mukherjee*, A.I.R. 1953 S.C. 58, p. 63.

<sup>13</sup> *Ibid.*, p. 61.

conservancy service of the municipality was an "industry" as it was an "undertaking" analogous to business or trade. These tests were accepted as correct by the Court in later decisions.

#### *Electricity Department—An "Industry"*

The decision in *Banerji's Case* was affirmed in *Baroda Borough Municipality v. Its Workmen*,<sup>14</sup> where the employees in the electricity department of the Baroda Borough Municipality claimed bonus. The Court cited with approval the ruling in *Banerji's case* and held the electricity undertaking of the municipality to be an "industry" and the dispute to be an "industrial dispute".<sup>15</sup>

#### *Hospital—An "Industry"*

Still later in *State of Bombay v. Hospital Mazdoor Sabha*,<sup>16</sup> hospitals run by government were held to be covered by the definition of "industry". Here the court held that the second part of the definition contained an extension of the first part by including other items of industry.<sup>17</sup> At the same time it was felt that line should be drawn in a fair and just manner so as to exclude some callings, services or undertakings or otherwise all services and callings would come within the purview of the definition which could never be the intention of the legislature. Thus the regal or sovereign functions of the government were held to fall outside

the scope of the definition, while other activities undertaken by the government, even in the interests of socio-economic progress of the country, were held to be covered by it. The reasoning of the court in holding that the hospital run by the State of Bombay was an industry was that if an activity of like nature would be an "undertaking"<sup>18</sup> if it was carried on by a private person or group of persons, then it would nevertheless be an "undertaking" if it was carried on by the government.<sup>19</sup>

In support of this, it was pointed out that the addition of the entry "Service in hospitals" in the First Schedule to the Act<sup>20</sup> clearly indicated the legislature's intention to include hospitals also under the definition of "industry". On these grounds, the Court held that the running of the hospitals by the government amounted to an "undertaking" under Section 2(j) of the Act.

Even though the *Hospital Mazdoor Sabha Case* related to a hospital run by government, it can be inferred from some of the observations of the Court that the same principles would apply in the case of hospitals run by local authorities also. In fact this case was followed in *Sirur Municipality v. Its Workmen*<sup>21</sup>, where the maid servant and the nurse working in the dispensary run by the municipality were held to be covered by the Act. The Court went to the other extreme by holding that all

<sup>14</sup> A.I.R. 1957 S.C. 110.

<sup>15</sup> *Ibid.*, p. 113.

<sup>16</sup> A.I.R. 1960 S.C. 610.

<sup>17</sup> "Section 2 (j) does not define industry in the usual manner by prescribing what it means; the first clause of the definition gives the statutory meaning of industry and the second clause deliberately refers to several other items of industry and brings them in the definition in an inclusive way." *Ibid.*, p. 614.

<sup>18</sup> An "undertaking" was held to be "an activity systematically or habitually undertaken for the production or distribution of goods or for the rendering of material services to the community at large or a part of such community with the help of employees". *Ibid.*, p. 616.

<sup>19</sup> *Ibid.*, p. 616.

<sup>20</sup> The First Schedule to the Act gives a list of "Industries which may be declared to be public utility services under sub-clause (vi) of clause (n) of Section 2." The item *viz.* "Services in hospitals and dispensaries" was added to the list by Act No. 36 of 1956.

<sup>21</sup> 1960 II L.J. 657 (High Court of Bombay).

the employees of the municipality would be covered by the Act since "they belong to the integrated activities and are not solely and exclusively confined to any one department for all the time of their services"<sup>22</sup>.

*General Administration Department—An "Industry"*

It may be noticed that by the above decisions the Court was trying to establish that certain activities of the municipalities would come under the term "undertaking" used in the definition of "industry". This was made possible by giving the word "undertaking" an extended meaning as pointed out before. But in the *Nagpur Corporation Case*<sup>23</sup>, the Court went a step further and observed that even if the word "undertaking" was absent in the definition of "industry", the municipal activity would still be covered by the definition.

In this case, the Court was called upon to interpret the definition of "industry" under Section 2(14) of the C. P. and Berar Industrial Disputes and Settlement Act, 1947 so as to determine whether and how far the activities of the Corporation of the City of Nagpur would come under the purview of that Act. The case arose out of a dispute between the Corporation and its employees in various departments in respect of wage scales, gratuity, provident fund, house rent, confirmation allowance etc. The Industrial Court to which the matter was referred to by the government, held that the Corporation and its various departments were an "industry"

as defined under the Act. The contention of the Corporation before the High Court that it was not an "industry" was rejected. The matter was, therefore, brought before the Supreme Court.

Under the C. P. and Berar Act, "industry" was defined slightly differently from that under the Central Act.<sup>24</sup> Here the word "undertaking" was used in a limited sense, qualified by the words "manufacturing or mining" and as such could not be interpreted to include municipal activities. It was to be examined, therefore, whether the other words such as business, trade, calling etc. used in the definition would cover it. The court observed that the Section should not be confined to trade or business or activities analogous to trade or business and held that construed in that sense, the definition would cover municipal activity also<sup>25</sup>. As in *Hospital Mazdoor Sabha Case*, a distinction was drawn between the regal and municipal functions of the Corporation and the latter was held to be analogous to "trade or business".

The following principles were laid down by the Court :

- (i) If a service rendered by an individual or a private person would be an industry, it would continue to be so in the hands of a Corporation.
- (ii) If a service rendered by a Corporation would be an industry the employees in the department connected with that service, whether financial, administrative or

<sup>22</sup> 1960 II LLJ 657, *op. cit.*, p. 663.

<sup>23</sup> *The Corporation of the City of Nagpur v. Its Employees*, A.I.R. 1960 S.C. 675; decided on 10th February 1960.

<sup>24</sup> Section 2(14) of the C. P. and Berar Industrial Disputes and Settlement Act, 1947, defined "industry" to include :

- "(a) any business, trade, manufacturing or mining undertaking or calling of employers,
- (b) any calling, service, employment, handicraft or industrial occupation or avocation of employees, and
- (c) any branch of an industry or a group of industries."

<sup>25</sup> According to the Court, the regal functions should be confined to legislative power, administration of law and judicial power.

executive, would also come under the purview of the Act.

- (iii) If a department of a municipality discharged many functions some pertaining to industry as defined in the Act, and other non-industrial activities, the predominant functions of the department would be the criterion for the purposes of the Act.

Applying these principles, as many as eighteen departments<sup>26</sup> including the Tax, Assessment, Enforcement and even the General Administration Department (coordinating the functions of all other departments) of the Corporation were held to be covered by the definition of "industry" under the Act in question.

#### *Octroi Department—An "Industry"*

The decision in the *Corporation Case* was relied upon in *Sangli Municipality v. Its Workmen*<sup>27</sup> where the octroi department of the municipality was held to be an "industry".

Similarly in *Municipal Committee, Raitkot v. Ram Lal Jain*<sup>28</sup> the Court rejected the contention of the Municipality that the work of the octroi department would be more in the nature of the exercise of a regal function and as such should be excluded from the scope of the definition. Mr. Justice A. N. Grover speaking for the Court observed :

"If a municipality or municipal corporation has to collect taxes and fees to enable it to discharge its statutory functions, which are wholly or predominantly covered by the definition of

industry, it would not be logical to exclude the tax department from that definition".<sup>29</sup>

This view according to the learned Judge was perfectly in consonance with what had been laid down in *Banerji's Case*.<sup>30</sup>

#### *Administration Department—Not An "Industry"*

But the judgment pronounced by Falshaw J. of the Punjab High Court in *Cantonment Board, Ambala Cantonment v. State of Panjab*<sup>31</sup> stands distinct from these decisions. Here the question to be decided was whether the dispute between the Cantonment Board and its employees was an "industrial dispute" or not. Relying on *Banerji's Case*, the Court pointed out that in determining the question it was necessary to see whether the employees involved in the dispute were employed "in a branch of Board's activities which is of an industrial nature". The court categorically declared that the administrative staff of the Board could never be held to be employed in such a branch or department.

The following observation of Mr. Justice Falshaw is highly illuminating and indeed thought-provoking :

"If the legislature wished to make all employees of local bodies, and indeed all government servants, "workmen" for the purposes of the Act, it would be a perfectly simple matter to do so, by suitably amending the definition contained in Section 2; but as it is, the definition of an employee in relation to local body clearly refers only

<sup>26</sup> A. I. R. 1960 S. C. 675.

<sup>27</sup> 1960 II LLJ 459 (Industrial Tribunal, Maharashtra).

<sup>28</sup> 1965 I LLJ 652 (High Court of Punjab).

<sup>29</sup> *Ibid.*, p. 655.

<sup>30</sup> It may be pointed out here that Mr. Justice A. N. Grover was one of the members of the Supreme Court Bench which has recently held that hospitals run by government would not be covered by the definition of "industry". See the *Safdarjung Hospital Case* (A. I. R. 1970, S.C. 1407).

<sup>31</sup> A. I. R. 1961 Punj. 416 (High Court of Punjab.)

to an industry carried on by or on behalf of that local body, and for the purpose of deciding whether industrial dispute exists between any employee of a local body and the body, it is necessary to separate the industrial or quasi-industrial activities carried on by the local body from its activities which have no connection with industry even remotely. . . ."<sup>32</sup>

Surprisingly enough, the learned Judge made no reference to the Supreme Court's ruling in the *Nagpur Corporation Case*, where even the general administration department of the Corporation was held to be an "industry".<sup>33</sup>

#### *The Nagpur Corporation Case—"Unfortunate"*

However, the decision in the *Corporation Case* was found to be "unfortunate" by a later bench of the Supreme Court in the *Madras Gymkhana Club Case*.<sup>34</sup> In this case the Court held that for an activity to be an industry, it must bear the definite character of trade or business or manufacture or calling or must be capable of being described as an undertaking in material goods or material services. An undertaking, according to the Court, must be defined as "any business or any work or project which one engages in or attempts as an enterprise analogous to business or trade."<sup>35</sup> This, the Court said, was the test laid down in *Banerji's Case* and followed in the *Baroda Borough Municipality Case* and "its extension in the *Corporation Case* was

unfortunate and contradicted the earlier cases".<sup>36</sup>

The Court, however, observed that government and local authorities also did act as private individuals and the policy of the Act was to put government and local authorities at par with private individuals. But government could not be regarded as an employer within the Act, "if the operations are governmental or administrative in character". The local authorities also could not be regarded as "industry" unless they produce material goods or render material services and do not share by delegation in governmental functions or functions incidental thereto".<sup>37</sup> It can be inferred from this observation that the local authorities can be regarded as "industry" if they produce material goods or render material services.

Now, what are material services? The Court did not explain this in the *Gymkhana Club Case*; but in a subsequent Case viz., the *Safdarjung Hospital Case*<sup>38</sup>, the Court held:

"Material services involve an activity carried on through cooperation between employees and employers to provide the community with the use of something such as electric power, water, transportation, mail delivery, telephones and the like."<sup>39</sup>

#### *Hospital—Not An "Industry"*

Here, the question that again came up for decision was whether a hospital could

<sup>32</sup> A. I. R. 1961 Punj. 416, *op. cit.*, p. 421.

<sup>33</sup> The judgment in the *Nagpur Corporation Case* was delivered on 10th February 1960 and was published in A. I. R. 1960 S. C. 675 (July issue), while the instant case was decided on 12th September 1960.

<sup>34</sup> *The Secretary, Madras Gymkhana Club Employees Union v. The Management of the Gymkhana Club* A.I.R., 1968 S.C. 554.

<sup>35</sup> *Ibid.*, p. 563.

<sup>36</sup> *Ibid.*

<sup>37</sup> *Ibid.*

<sup>38</sup> *The Management of Safdarjung Hospital v. Kuldip Singh Sethi* (A. I. R. 1970 S. C. 1407). The bench was constituted by Hidayatullah C.J., Shah, Hegde, Grover, Ray and Dua JJ.

<sup>39</sup> *Ibid.*, p. 1413.



be regarded as an "industry". The Supreme Court had observed in the *Gymkhana Club Case*<sup>40</sup> that the *Hospital Mazdoor Sabha Case*<sup>41</sup> was one "which may be said to be on the verge" and that "there are reasons to think that it took the extreme view of an industry".<sup>42</sup> This *obiter dicta* formed the basis of an attack by the Management of the hospitals in this case on the former ruling of the *Hospital Mazdoor Sabha Case* that a hospital run by government was an "industry". The employees relied upon the amendment of the Industrial Disputes Act by which "Services in hospitals and dispensaries" had been added to the First Schedule to the Act as one of the industries which might be declared to be public utility services. They argued that this was a legislative determination of the question whether the hospital was an industry or not.

Rejecting the contention of the employees, the Court held that what could be declared to be a public utility service had to be an "industry" in the first place. The reasoning of this decision was mainly based on Section 40 of the Act<sup>43</sup>, which empowered the governments to add to the Schedule any "industry" by notification. The Court pointed out that this provision did not authorise the governments to issue notifications in respect of enterprises which were not industries to start with. They must first be demonstrated to be industries and then the notification would apply to them. "To hold otherwise would largely render useless all the definitions in the Act regarding industry, industrial

disputes etc. in relation to the scheduled items".<sup>44</sup>

### *The Hospital Mazdoor Sabha Case—"Not Justified"*

Referring to the *Hospital Mazdoor Sabha Case* the Court observed:

"We may say at once that if a hospital nursing home or dispensary is run as a business in a commercial way there may be found elements of an 'industry' there. Then the hospital is more than a place where persons can get treated for this ailment. It becomes a business."<sup>45</sup>

Since the Safdarjung Hospital "is not embarked on an economic activity which can be said to be analogous to trade or business" and since "there is no evidence that it is more than a place where persons can get treated",<sup>46</sup> it was held to be not an "industry". The Court concluded by observing: "In our judgment the *Hospital Mazdoor Sabha Case* took an extreme view of the matter which was not justified"<sup>47</sup>.

### *Analysis of the Decisions*

From the above decisions it is clear that the courts have not been taking a consistent approach in interpreting the definition of "industry", in its application to municipal activities. While the *Nagpur Corporation Case* took an extreme view by including even the general administration department under "industry", the

<sup>40</sup> A. I. R. 1968 S. C. 554.

<sup>41</sup> A. I. R. 1960 S. C. 610.

<sup>42</sup> A. I. R. 1968 S. C. 554, p. 656.

<sup>43</sup> S. 40. Power to amend schedules.

(i) The appropriate Government may, if it is of opinion that it is expedient or necessary in the public interest so to do, by notification in the official Gazette, add to the First Schedule any industry, and on any such notification being issued, the First Schedule shall be deemed to be amended accordingly.

<sup>44</sup> A. I. R. 1970 S. C. 1407.

<sup>45</sup> *Ibid.*, p. 1414.

<sup>46</sup> *Ibid.*, p. 1416.

<sup>47</sup> *Ibid.*, p. 1415.

*Safdarjung Hospital* Case denied its application even to hospitals run by government (and by implication to those run by local authorities also). There is nothing wrong in the rulings in the *Banerji* Case and the *Baroda Borough Municipality* Case where the Court has held that the activities of the municipality which are analogous to business or trade would be covered by the definition of "industry". The decision in the *Hospital Mazdoor Sabha* Case also stands to reason, because when the legislature by an amendment has included "services in hospitals" under the schedule of *industries* (emphasis added) to be notified as public utility services, the legislative intent cannot be said to be otherwise. It is true that Section 40 of the Act does not authorise the government to convert a non-industrial activity to an "industry" by a mere notification. What has to be included by notification should necessarily be an "industry" in the first place. But a notification of the government should be differentiated from an amendment of the legislature indicating its intent to include an item as "industry". Of course, the legislature also cannot include by an amendment, an item which does not fit in within the definition of "industry". But in border-line cases if the legislative intent is clear then there is no justification in holding a different view. For instance "services in hospitals" is an activity that does stand the tests of an "industry" as laid down even in the *Safdarjung Hospital* Case where the Court has held that to be an "industry" an activity should be "an undertaking resulting in material goods or material services".<sup>48</sup> Could it be forcefully argued that a hospital run by the government or a local authority does not provide material services? If that is the case, and if profit motive is not a *sine qua non* of an "industry", a private nursing home cannot be considered to be different from a government hospital. It is submitted with respect that the observation of the Court in the *Safdarjung Hospital* Case that to be an industry "the hospital should be more

than a place where persons can get treated for their ailment" does not fully clarify the position. Further, when the conservancy department of a local authority can be held to be an "undertaking" providing "material services" to the community, there is no justification in keeping the hospitals out of it.

However, it is the extension of the principle of the *Banerji* Case in the *Nagpur Corporation* Case that has created some problems. Here the Court held even the general administration department of the municipality to be an "industry", on the ground that "integrated activities of a municipality cannot be separated, to take in some under the definition of industry and exclude others from it". But, at the same time, the Court was careful enough to exclude "regal or sovereign functions" from it. And yet the Taxation, Assessment and Enforcement departments of the Corporation which are normally considered to be performing regal functions have been held to be coming within the definition of "industry". It is submitted that there is not much justification in including the governmental and administrative functions of the local authorities under the category of "industry" when similar functions of the state and central governments are not ordinarily covered by it. And the legislative intent is also very clear on this point when it defines the term "employer" by which the applicability of the Act in respect of a local authority is restricted only insofar as it carries on an "industry". As observed by Falshaw J., if the legislative intent was to include all employees of local bodies under the purview of the Act it would have been possible for the legislature to do so in a clear manner. But as the provisions stand at present, the industrial and quasi-industrial activities of the municipal authorities should be separated from those which have no connection with "industry" even remotely. The government or local authority cannot be regarded as an "employer" within the meaning of the Act if the

<sup>48</sup> A. I. R. 1970 S. C. 1407, p. 1414.

operations are governmental or administrative in character.

### *Conclusion*

In view of the Supreme Court decisions in the *Gymkhana Club* Case and the *Safdarjung Hospital* Case, some of the activities of the municipalities are likely to be excluded from the purview of the Act; but since municipalities are also engaged in various activities which provide the community with "material services" such specific activities would still be covered by the Act. The situation, of course, remains fluid and it will be for a future court to

determine which of those activities would come under the purview of the Act and which would not. It may, however, be suggested that a decision in this regard should be based on the nature of such activities. Broadly speaking, municipal activities can be categorised into regal or governmental functions, management of certain activities which are classified as public utility services, and undertakings (other than public utility services) which are analogous to trade or business. While the first category should be completely excluded from the purview of the Act, there is no justification in excluding the other two categories from its application.



# JUDICIAL DECISIONS

## *Supersession*

The Calcutta High Court by its order dated August 9, 1972 has upheld the supersession of the Corporation of Calcutta by the State of West Bengal. The court held that the ordinance deleting the proviso to Section 47 of the Calcutta Municipal Act dispensing with the service of notice was valid and was not a *mala fide* exercise of power.

The government had issued an ordinance deleting the provision in the Municipal Act of giving notice to the Corporation for submission of any representation before any order of supersession was passed. This was followed by another ordinance superseding the Corporation. The act of supersession was later on validated by the legislature by passing the Calcutta Municipal Amendment Act 1972.

The petitioners contended that the act of supersession was *mala fide* because it was taken by the government with a view to ousting the United Front representatives who had constituted the majority in the Corporation. They also argued that the reasons given in the order were vague, that the Corporation had not defaulted in any manner, that no grounds subsisted for supersession, that the motive was political and that no circumstances existed for the promulgation of the ordinance, when the legislature was soon to meet. It was also pointed out that while three grounds were stated in the notice, reasons were given only for two.

The Advocate-General appearing for the state contended that the decision to pass the ordinance dispensing with the service of notice was taken by the cabinet with a view to avoid unnecessary delay. He also argued that the Court

did not have the power to examine the questions as to whether any circumstances existed for promulgating the ordinance, nor could they deal with the question of *mala fide* or colourable exercise of powers in passing the ordinance. The Governor when passing the ordinance under Article 213 had acted on the advice of the Council of Ministers and there was a constitutional bar to a court inquiring into what advice was tendered. In any case, defects, if any had been validated by subsequent legislations. He pointed out that the government could have superseded the Corporation on grounds of incompetence, default or exceeding its powers, or on any one of the reasons stated in the order of supersession. He further argued that the state government had acted properly in declaring the Corporation to be incompetent and to be in default and to have exceeded its powers. There was no question of violating the principles of natural justice and the argument that S. 47 (c) of the Municipal Act without the proviso, conferred arbitrary and naked powers without any guideline was unsound. Regarding the last point raised by the petitioner, the Advocate-General pointed out that although three grounds had been mentioned for passing the order, if it appeared that any one of them was non-existent or could not be sustained the order would still be valid if the court was satisfied that the authorities in any event would have passed the order.

The court accepted the contentions of the Advocate General and held that the government had not acted wrongly in declaring the corporations incompetent. There was no question of any violation of the principles of national justice. The affidavit filed by the Minister-in-charge of Local Self-Government showed that grounds existed for supersession, and the cabinet had fully considered them.

## *Disconnection of Water Supply*

The Bombay High Court, in July 1972 has held that the Municipality had no right to withhold water supply, once the citizens complied with the conditions of payment of charges provided by municipal rules and regulations. The court was deciding on a second appeal filed by the Ambarnath Municipal Council against the respondent, the owner of a small house within the municipal limits. The respondent in this appeal had a water connection and in January 1964 since the meter showed excessive rate, the same was removed by the Council at his request. Since it took some time to get the meter repaired, he requested the Council to stop the supply of water. In December, 1964 when he received the meter after repair, he applied to the Council to restore the water supply, but the Council refused. Aggrieved by this refusal, he filed a suit in the Civil Court for restoring the water supply. The trial Court decreed the suit and on appeal by the Council, the District Court confirmed the decree.

The Council preferred a second appeal before the High Court. The High Court rejected the contentions of the Council and granted an injunction to restrain the Council from withholding the water supply.

## *Surcharge on Bill-Collectors*

The Madras High Court, by a ruling given in September, 1972 has allowed a batch of petitions raising the question whether a municipal commissioner has power under the District Municipalities Act to order a surcharge on a municipal servant for alleged loss caused to the municipality on account of inaction or negligence. The petitioners were bill collectors in Salem Municipality and the charge against them was that they did not collect the tax due to the municipality and thereby caused loss to the municipality. They were called upon to

explain, but their explanations were rejected and the commissioner passed orders for recovering certain amounts from their salary. The petitioners contended that the action taken against them was without jurisdiction. The court accepted this contention and quashed the impugned order of the Commissioner.

## *Contract*

Mr. Justice Krishna Rao of the High Court of Andhra Pradesh, by a judgment delivered on February 2, 1971 (reported in A.I.R. 1972 A. P. 299) has held that the contract for the collection and appropriation of pig-dung in the municipal area, entered into between the Markapur Municipality and a contractor was in the nature of a sale of future contingent goods (within Section 6 (2) of the Sale of Goods Act) and that where the pig-owners removed the dung as of right leaving nothing for the contractor to collect, the contract became impossible of performance and therefore the contractor was discharged of his obligation under the contract to pay the amount of the contract. The Markapur Municipality, the appellant in this case, through an open auction, had given the right to collect and appropriate the pig dung in the municipal area to the defendant, who was the highest bidder at the auction. The defendant, the contractor, paid the advance and executed an agreement for the balance amount. Since he failed to pay the balance amount, the municipality filed a suit against him. The suit was contested on the ground that the owners of the pigs prevented the contractor from collecting the dung and as such the contract became impossible of performance. The trial court accepted this contention and dismissed the suit. Aggrieved by this decision, the municipality appealed to the High Court.

The High Court after examining the relevant provisions of the Andhra Pradesh Municipalities Act, held that the transaction in the present case was in the nature of a sale of future contingent goods for

the reason that the pigs were not owned by the municipality. The dung became the property of the municipality under S 38 of the Act, only when it was not removed by the pig-owners and was collected by the municipality. Where the municipality, instead of collecting the dung itself, sold the right to collect and remove it, it was a sale of future contingent goods. Where the pig-owners removed the dung as of right and nothing was left for the contractor to collect, the contract became impossible of performance as the goods did not come into existence and did not become ascertained goods in a deliverable state (within S. 23 of the Sale of Goods Act.). The contract therefore, became impossible of performance as the goods never came into existence. The court held that the contractor, in such a case, could not be compelled to pay the price of the dung.

#### *Resignation and Withdrawal*

The High Court of Himachal Pradesh has recently held (decided on May 12, 1972; reported in A.I.R. 1972 H.P. 105) that the resignation of a member of a municipal committee constituted under the Himachal Pradesh Municipal Act, 1968 would take effect only after it had been accepted by the state government. Here one of the members of the Municipal Committee, Rampur had submitted his resignation from the membership of the Committee by a letter dated December 29, 1969 addressed to the Deputy Commissioner. On March 17, 1970 (after the expiry of more than sixty days) he wrote to the Deputy Commissioner withdrawing his resignation. The Municipal Committee wrote to the Deputy Commissioner

that the notice of withdrawal was barred by time in as much as it had not been submitted within 15 days of the receipt of the application intimating the desire to resign office and that the resignation should be deemed to have been accepted by the government. The state government, however, took the stand that since the member had withdrawn his resignation before it was accepted, he continued to be a member of the Committee. Aggrieved by this, the Committee applied for relief under Art. 226 of the Constitution.

The High Court, after examining S. 14 of the Himachal Pradesh Municipal Act, pointed out that the principle underlying the provision was that no member of the Municipal Committee could vacate office at will and that before he could be relieved of the responsibilities of office, his resignation must be accepted by the state government. The member was entitled as of right to withdraw the resignation within 15 days of its receipt by the Deputy Commissioner and no discretion vested in the Deputy Commissioner or the state government in that matter. After the expiry of 15 days, however, the state government was entitled to consider the application to resign and to accept the resignation. If the resignation was accepted, it should be notified within 60 days as provided under the Act. The court held that this requirement was mandatory and that the language of the provision indicated that the resignation could not be accepted after a period of sixty days. Since the government did not notify the resignation within the stipulated period, the court held that the respondent would continue to be a member of the Municipal Committee.

# URBAN NEWS

## UNION GOVERNMENT

Inaugurating a two day conference of State Ministers of Housing and Urban Development, Shri Uma Shanker Dikshit, Union Minister, of Works and Housing called for a radical change in the basic approach to the problem of housing by the Planning Commission and the national leadership. He further said that one of the reasons for the tremendous housing shortage was the low priority assigned to housing in earlier plans. The conference was convened for and exchange of ideas between the Centre and the State Ministers of housing on the approach to be adopted in the Fifth Plan and to evolve a coordinated plan of action.

\* \* \* \*

While inaugurating the first conference of the Housing and Development Corporation, Shri I. K. Gujral said that according to 1971 census the housing shortage had risen from 68.8 to 85.7 million units in the country. This shortage was more intense in urban areas as compared to rural areas. He suggested the housing boards and improvement trusts to accelerate the financing work by giving long-term loans. The recommendations of the conference include long-term loan repayable after 25 years with low interest, developmental schemes or commercial centres with high return of capital and excess profit out of these schemes to be utilized for low-income housing projects.

\* \* \* \*

It has been decided to erect a large scale unit of Hindustan Housing Factory (HHF) at Calcutta by the Ministry of Works and Housing. The new unit will cope with the requirements of slum development programme of the three

metropolitan cities. This unit will also set up counters to supply rural package housing materials. The National Building Organization will act as chief architectural and engineering consultants to the HHF for low-cost housing and building programmes in the country.

\* \* \* \*

The Ministry of Works and Housing has selected Nagpur under its scheme for environment development. The project provides for drinking water supply, laying of sewers and drains, widening of lanes and streetlighting. The city will receive Rs. 98.05 lakhs as grant for the purpose from the Ministry. Other ten cities which will be covered under the scheme are Bombay, Madras, Calcutta, Delhi, Ahmedabad, Bangalore, Kanpur, Poona, Lucknow and Hyderabad.

\* \* \* \*

The Ministry of Railways will soon implement a rapid transit line scheme for Bombay at a total cost of Rs. 90 crores. The project is expected to be completed in five years' time to cope with the expected 88 lakhs passenger trip by 1989. This line will run partly underground and partly surface from Colaba to Bandra. The line will take a detour from Colaba to Kalbadevi, Bhuleshwar and then cut across to Mahalaxmi and finally join at Bandra.

\* \* \* \*

The Ministry of Health and Family Planning has set up an expert committee to review the present water supply position in Delhi and suggest suitable measures for equitable distribution of water during summer.

The Housing and Urban Development Corporation has granted a loan amounting to Rs. 455 lakhs to seven housing proposals from Hyderabad, Vishakhapatnam, Delhi, Lucknow, Jabalpur, Bhopal and Baroda.

\* \* \* \*

The Union Ministry of Works and Housing has sanctioned Rs. 4.12 crores as loan for house construction to government employees from April 1 to July 31, 1972.

\* \* \* \*

The Union Government has approved a project costing Rs. 601 lakhs for construction of 2,200 houses for low-income group people in Greater Bombay along western highway. Besides this, a project for construction of 5,000 tenements in different parts of Greater Bombay has also been approved.

\* \* \* \*

A six-day seminar was held at Pune recently under the Chairmanship of Shri A. V. D'Costa, Chairman of the Metropolitan Transport Team, Planning Commission, Government of India, to discuss different problems connected with the construction and operation of rapid transit systems for metropolitan towns of Bombay, Madras, Calcutta and Delhi. The seminar was attended by experts from Ministry of Railways and State Governments.

\* \* \* \*

The foundation stone was laid by Shrimati Indira Gandhi for the world's largest road bridge which will be constructed across the Ganga at Hajipur. The bridge will be 5,575 metres long and will have two 7.5 metres wide lane roads and two feet footpath on both the sides. The project will be financed by the Union

Government under the National Highway Scheme and will cost Rs. 23 crores.

The Union Government has introduced a Bill in the Lok Sabha to check haphazard growth in order to protect the architectural beauty of Chandigarh. The Bill seeks to ensure construction of buildings according to conditions prescribed by the Government.

\* \* \* \*

The Union Government has decided to upgrade 76 cities in the country on the basis of 1971 census, with effect from August 1, 1972. The upgradation has been made for the purpose of house rent allowance and city compensatory allowance. Hyderabad has become class I city and Baroda, Surat, Srinagar, Cochin and Trivandrum has been graded as class B-2 cities.

\* \* \* \*

To utilize maximum resources for housing and urban development in the country, a steering group in the Planning Commission is looking into the various aspects of a national housing and urban development policy to be included in the Fifth Five Year Plan.

\* \* \* \*

The World Bank intends to provide Rs. 700 million for concentrated activities in 30 urban centres for four fiscal years ending 1975-76. The activities cover sites and services, urban extension areas, integrated urban region, roads and traffic movement, wholesale markets and other infrastructure and land development.

\* \* \* \*

The Union Government is finalizing plan to start five more prefabricated housing factories in the country before the end of the Fifth Five Year Plan.

\* \* \* \*



The Housing and Urban Development Corporation plans to expand its area of operation. The Corporation will extend a helping hand to the cooperative which cannot get financial assistance from any other source besides housing boards and trusts.

\* \* \* \*

The Union Government has sanctioned Rs. 3 crores for development of housing in Lucknow and Kanpur and for the reconstruction of houses in flood affected areas in Lucknow. The entire sum of Rs. 1.50 crores allotted to Kanpur is expected to be spent on slum clearance and housing schemes.

\* \* \* \*

The State Chief Town Planners met recently to discuss the problem of urban development and the creation of autonomous corporations where local bodies are unable to cope up with the problems of development. The conference also discussed squatters' problem, development of hill regions, environmental development and preparation of a traffic operation plan for all Class I cities. The introductory note of the conference emphasised creation of a statutory body for development in each state on the lines of the Delhi Development Authority.

\* \* \* \*

The Union Government has sanctioned Rs. 21 lakhs to Tamil Nadu Government for environmental improvement in 87 slums in Madras City.

## STATE GOVERNMENTS

### *Andhra Pradesh*

The State Government is planning to set up a Slum Clearance and Housing Board in the State. It has been proposed

to take over the vacant land in all the towns for construction purposes.

\* \* \* \*

The State Government is contemplating to set up a Town Planning Trust shortly at Vijaywada on the lines of the one at Visakhapatnam. The Government is also planning to spend Rs 63 crores on the development of Visakhapatnam under a three-phased programme.

### *Bihar*

The State Government has accorded approval to a master plan for the fast growing industrial district of Ranchi recently. Under the plan 14,451 acres of land has been allocated for residential, 575 acres for commercial and 2,928 acres for industrial purposes. The detailed financial implications of the plan are being worked out.

\* \* \* \*

The State Government is actively considering to set up a Patna Development Authority, as the term of the State Housing Board has expired.

\* \* \* \*

Speaking at a Conference convened by Nagar Vikas Sammelan, the Minister of Local Self-Government and Transport disclosed that Government was expected to come out with a Master Plan for the development of areas under local bodies in the State.

### *Goa*

The Goa Government has prepared a Master Plan for the development of roads in the territory and submitted to the Union Government for approval.

### *Gujarat*

The State Government is contemplating to set up a Slum Clearance Board in

order to facilitate the work of slum clearance. A Bill to this effect will shortly be introduced in the State Assembly.

\* \* \* \*

It was disclosed by the State Housing Minister that a plan for the construction of 2,000 houses in the State every year over the next 20 years for economically weaker sections of the society was under preparation. A leading architect has pledged to provide houses costing within Rs. 1,500 to 3,500 per tenement. The Housing and Urban Development Corporation and the Planning Commission have agreed to extend help and extend the experiment to other States.

The State Government is considering to constitute special committees in all the big cities of the State to check unauthorised constructions. The committees will also be asked to suggest measures to clear slum in those areas.

\* \* \* \*

An Advisory Committee has been constituted by the State Government to suggest measures for checking river water pollution in the State to the Joint Committee appointed by the Union Government.

\* \* \* \*

The State Government has chalked out a novel scheme for building low-cost houses in the State. Under the Scheme interested persons have to deposit one rupee a day in the State Bank of India for three years and after maturity the Government will provide a house measuring 22.5 square metres. The scheme is known as 'save a rupee a day' scheme.

### *Haryana*

The State Government has constituted a Board to formulate housing schemes for the urban areas. The total number of

members of the Board will be about 13 including officials and non-officials.

### *Himachal Pradesh*

The State Government is planning to bring forward a Bill on town and country planning in the State Assembly shortly. According to the provisions of the bill, the Government will be empowered to confer proprietary rights on the sites to be allotted to the people for construction of houses. It will also help the Government to undertake planned development of towns in addition to the development of centres of economic activities.

### *Madhya Pradesh*

The State Government has chalked out a programme under which Rs. 2 lakhs will be spent to beautify the famous Marble-Rocks. It has also been planned to construct a modern park with a rest house by the side of the Rocks. Arrangements of flood lighting will be made for the visitors in the night.

### *Maharashtra*

The Maharashtra Government has decided to set up a Municipal Finance Commission to look into the financial positions of all the municipalities of the State and suggest ways and means to improve it,

\* \* \* \*

The Minister of Housing disclosed in the State Assembly that the State Housing Board will be reorganized to give equal importance to the programme of urban, rural and backward-class housing and slum improvement in the State.

\* \* \* \*

The State Government is seriously considering a proposal to extend the limits of Thana Municipal Council. The formation of a new civic body on the Ghodbunder side is also under consideration.

\* \* \* \*

The State Government is taking stern measures to prevent water pollution under the Maharashtra State prevention of Water Pollution Act of 1970. A Board has been set up to advise, consult and cooperate with the local authorities and state agencies, the Union Government, industry, technical and other interests. The Board possesses wide powers to inspect and collect samples for analysis and to adopt remedial measures.

\* \* \* \*

The State Government, the Greater Bombay Municipal Corporation and the Members of the World Bank team recently agreed on an Integrated Water Supply Programme with an up-to-date drainage scheme and the treatment project for the disposal of sewage. The project will cost Rs. 447 crores and will be jointly executed by the State Government and the Corporation during the next ten years.

\* \* \* \*

The State Government proposes to enact a legislation for setting up city Development Boards in 8 to 10 places in the State on the lines of the Nagpur Development Trust.

#### *Mysore*

A New Mysore Municipalities Act will come into existence soon to meet the democratic aspirations of the people as disclosed by the Municipal Administration Minister recently.

\* \* \* \*

The State Government has approved the proposal of Bangalore Water Supply and Sewerage Board to raise market loan of Rs. 2 crores. The loan will be utilized for the construction of Cauvery Water Supply Scheme for the Bangalore City.

#### *Punjab*

The Committee to beautify Punjab has decided to plant 50,000 flower trees

at nodal points at G.T. Road and other roads. A sub-Committee on landscaping has been constituted to prepare schemes for roads, parks, and open space within the municipal limits as also for the public institutions. Another sub-committee on sculptures will decide to put sculptures at six selected sites. The State Government has been asked to provide Rs. 10 lakhs for this purpose.

\* \* \* \*

Important changes have been effected in the municipal bodies in the State through an Ordinance issued by the State Government recently. The Ordinance provides for two women members to be included in the Urban Local Bodies compulsorily, one Harijan and one representative from the Backward classes will have voting and other rights of a member. They will be co-opted by the members if these categories do not get representation by way of elections. All the M.L.A.'s will be *ex-officio* members of the Committee falling within their constituencies but they will not have voting rights.

\* \* \* \*

The Congress has come out with thumping majority in the Punjab Civic Elections. Sixty-three out of 79 municipalities have been captured by the Party and the Independents backed by it.

#### *Rajasthan*

The State Government has decided to tax the urban vacant land in all the municipal towns having a population of more than 10,000.

#### *Tamil Nadu*

The State Government has decided to set up a Unified Metropolitan Development Authority for Madras. This Authority will implement the perspective plan recently approved by the Government.

\* \* \* \*

The State Government is considering ways and means to augment the financial resources of the local bodies. Some panchayat unions are also likely to be converted into municipalities soon.

The State Government is actively considering to set up a Municipal Finance Corporation on the Kerala model.

\* \* \* \*

Tamil Nadu State will be the first in the country to have a sophisticated anti-air pollution machinery to be installed at Nagpal-Amladi Refinery to deal with pollution waste. The acid sludge and decomposition plant will be supplied by an American firm.

\* \* \* \*

A 20-year Master Plan has been prepared by the State Government for the metropolitan development of Madras City. The plan includes development of eight satellite towns, rapid transport system, water supply and housing.

#### *Tripura*

The Tripura Government has prepared a master plan at an estimated cost of Rs. 2 crores, 62 lakhs to improve Agartala town. A 10-point plan prepared by Agartala Municipality includes construction of markets, parks, an indoor stadium, a town hall and a three-storied super-bazar building.

#### *Uttar Pradesh*

The Government is considering a plan to develop the Corbert park, making more attractive for tourists. The plan includes planting of fruit bearing trees, construction of Machans for viewing wild life and a bird house.

\* \* \* \*

The State Government is contemplating to modernise the National Highways passing through the State in order to facilitate the flow of traffic.

\* \* \* \*

According to an assessment, 208 out of 248 urban local bodies in the State will be without sewerage facilities at the end of the Fourth Five Year Plan. The KAVAL towns themselves need Rs. 70 crores to complete the work and Rs. 190 crores has been estimated to cover 208 municipalities for the purpose. The allocation in the State Fourth Plan for sewerage is Rs. 7.80 crores only.

#### *West Bengal*

The State Government is reported to have decided to set up a Metropolitan Council for the development of Calcutta and its adjoining areas. The Council will be formed with the amalgamation of Calcutta Corporation and some adjoining municipalities. The plan envisages setting up of borough committees on the lines of the London County Council.

\* \* \* \*

The Calcutta Corporation will not be in a position to appoint a person upto a salary of Rs. 700 p.m. without the approval of the Municipal Service Commission as provided in the Calcutta Municipal (Third Amendment) Bill, 1972, passed by the State Assembly recently.

\* \* \* \*

A massive interim scheme for supplying water to Haldia Township has been proposed by the State Government and sent to the Union Government for clearance. The scheme would cost Rs. 5.83 crores. It provides for sinking of 102 large diameter deep tubewells each having a capacity to lift four lakh gallons of water per day.

\* \* \* \*

It has been proposed to amend the Calcutta Municipal Act and the West Bengal Municipal Act in order to make it obligatory on the part of administrators and executive officers appointed for the urban local bodies to run the administration. The proposed legislative measure is meant for removing deficiency in the existing law.

## CITY GOVERNMENT AND SPECIAL AUTHORITIES

### *Agra*

A master plan for the city's water supply and drainage has been prepared by the State Government recently. The plan will cost Rs. 21 crores. A sum of Rs. 8 crores has been proposed for water supply and Rs. 13.5 crores for drainage.

\* \* \* \*

The Municipal Corporation has taken up construction of 200 houses for low-income group people under the centrally approved scheme at an estimated cost of Rs. 25 lakhs. A sum of Rs. 5 lakhs as loan has been sanctioned to the Corporation for the execution of the scheme which is payable with interest in 30 equal instalments.

### *Ambala*

The Local Improvement Trust has evolved a crash programme for slum clearance. Under the scheme, pucca modern residential tenements, shopping booths, etc., will be constructed.

### *Amritsar*

The Amritsar Improvement Trust has evolved a master plan for the city. Provisions have been made under the plan to widen and beautify major roads, construction of public conveniences, development of larger area for housing, industrial and commercial purposes.

### *Asansol*

Two slum improvement schemes have been prepared by the Asansol Planning Organisation, one for Kasaimohalla within Asansol Municipality and the other for Dharampur at the outskirts of Burnpur steel town.

### *Bombay*

The Greater Bombay Corporation sent a delegation recently headed by the

Mayor to meet the Chief Minister to press for an increase in subsidy under the slum clearance scheme. The delegation will also urge the State Government to give subsidy for building construction and town planning schemes.

\* \* \* \*

A special squad has been appointed by the Bombay Municipal Corporation to study the working of property tax collection in different wards of the metropolis. The corporation is also introducing a co-ordinated scheme under which the wards would be divided into beats and each beat will be under the charge of an inspector who will look after several jobs such as licensing, factories, advertisement, hawkers, shops, projections, etc.

\* \* \* \*

### *Baroda*

Dr. Thakorebhai Patel and Dr. Jathin Mody have been elected as Mayor and Deputy Mayor of the Baroda Municipal Corporation unanimously.

\* \* \* \*

The civic body will be the pioneer in using electronic data processing computer in a big way. The Corporation will now regularly prepare bills for house tax, education cess, water fees, wealth tax, electric and gas bills.

\* \* \* \*

The Bank of Baroda has agreed to give Rs. 1.5 crores as loan to the Baroda Municipal Corporation for its domestic gas project. The project will cost Rs. 2.5 crores.

### *Calcutta*

The Calcutta Metropolitan Development Authority has chalked out a plan under which 128 schemes will be undertaken for all round development of the city. The schemes will cover a total area

of 1,377 sq. kms. with a population of 85,00,000,

\* \* \* \*

The Calcutta Metropolitan Development Authority has offered a sum of Rs. 2,64,000 to the Calcutta Municipal Corporation for the beautification of city parks to mark the Silver Jubilee year of the country's Independence.

#### *Chikhali*

A sum of Rs. 18 lakhs will be spent on the construction of piped water supply scheme for the town. The scheme is expected to be completed by the end of this year.

#### *Cochin*

A master plan costing Rs. 6.55 crores has been submitted to the Union Government by the Travancore Devaswom Board with the recommendation of the Kerala Government. The plan is meant for the development of pilgrimage centres in the State.

#### *Delhi*

The New Delhi Municipal Committee is working on a scheme to see how best to harmonize the glass house in Lodddhi Gardens with its surroundings. The plan is being worked out on the suggestion of Archaeological Department that the glass house will overshadow the tomb's importance.

\* \* \* \*

The Delhi Municipal Corporation is actively considering to charge a parking fee on all vehicles parked in its parking lots developed within the walled city.

\* \* \* \*

The Lieutenant Governor of Delhi has constituted recently an action committee to study the problem of environmental pollution and suggest suitable measure to

tackle it. The Committee will be headed by the Lieutenant Governor. Membership will comprise of heads of civic amenities departments, representatives from the Union Government, Chief Executive Councillor and one Executive Councillor.

\* \* \* \*

The New Delhi Municipal Committee in its recent meeting adopted a resolution requesting the Union Government to amend the Punjab Municipal Act, through an ordinance for the implementation of pension scheme for its employees.

#### *Gaya*

The elections to the Gaya Municipality have taken place recently after 15 years of its supersession. Congress and Jan Sangh were the main contestants.

#### *Kanpur*

The City Corporation is planning to provide civic amenities to its thirty slums with considerable financial assistance from the State Government.

#### *Lucknow*

The General Body meeting of the Lucknow Municipal Corporation criticized the appointment of an official committee appointed by the State Government for the allotment of Nazul flats without the Mayor. The members demanded that the Corporation should ignore the official committee according to the provisions of the U.P. Municipal Corporation Act, 1959 and continue allotting flats. One of the members moved a resolution in support of a parallel committee consisting of the Mayor, Deputy Mayor and other members to deal with the problem.

\* \* \* \*

The Councillors of Lucknow Municipal Corporation have condemned the proposed establishment of Water and

Sewage Board, and Development Authority for KAVAL towns. They denounced it as a conspiracy against democracy and against the declared policy of the Union Government for the decentralization of powers.

#### *Madras*

The Madras Corporation is preparing a master plan to improve the city's drainage system. The smaller pipes under the plan would be changed into bigger ones. The Corporation will also have six outlets for sullage water instead of one at present. The water would be treated for making it useful for agricultural purposes. The Corporation is also taking steps to complete the mechanized conservancy work.

#### *Rajkot*

A recent survey has revealed that 40 per cent of the town's 2,000 factories are functioning without adequate Municipal licences, thus resulting in a loss of revenue to the tune of Rs. 100,000 to the civic body.

#### *Tiruchi*

The Tiruchi Regional Engineering College has proposed a Water Institute in

Madras with the assistance of UNDP. The Institute will work as adviser on water problems and suggest suitable measure, to meet the needs of the future.

#### *Delhi Development Authority*

The Lieutenant Governor of Delhi, Shri Baleshwar Prasad, has recently inaugurated the Delhi Development Authority's tree plantation programme. The main objective of the programme is to create mini forests woodlands, green buffers between residential and industrial colonies, roadside avenues, parks and play grounds, and parks around historical monuments.

\* \* \* \*

To decentralize the commercial activities in Delhi, the Delhi Development Authority proposes to develop 15 big shopping-cum-commercial areas. All the projects are proposed to be completed in 10 years' time.

#### *Life Insurance Corporation*

A sum of Rs. 2 crores and 10 lakhs have been paid as loan to various municipalities, housing corporations and Industrial Estates in Kerala, Haryana, Maharashtra, and Andhra Pradesh.

# NEWS FROM THE TRAINING AND RESEARCH CENTRES

## NATIONAL CENTRE

### *New Delhi*

The National Centre organized two Specialized Courses—one on Municipal Budgeting during July 31—August 12, 1972 and another on Comparative Local Government during September 11—23, 1972. The Centre also organised two seminars—one on Property Tax on July 14-15, 1972 and another on City Police Administration on September 29-30, 1972. These Seminars were widely attended by officials, non-officials and experts on the subject. The second seminar on City Police Administration was organized to discuss findings of the research report on the subject which was undertaken on an assignment from the Bureau of Police Research and Development in the Ministry of Home Affairs, Government of India. The report has since been submitted to the Bureau. The Course on Work Study in Municipal Administration which started on October 5 ended on November 2. The six-week General Course on Municipal Administration commenced on November 13, 1972.

The Faculty of the National Centre are offering courses in Local Government at the Lalbahadur Sastri Academy of Administration, Mussoorie. The members of the Faculty visited the Academy during early November to deliver talks on different aspects of local government to the trainees of the IAS Professional Course.

## REGIONAL CENTRES

### *Bombay*

The Centre completed two courses, one on Local Self-Government attended by a large number of participants and another on the LSGD regular course of

six months' duration. A condensed course on LSGD of 10 weeks' duration was organized at Panaji (Goa). The Centre is presently engaged in a research project on "Common Staffing Patterns in Gujarat".

\* \* \* \*

### *Hyderabad*

The Centre has undertaken a research study on "The Role of the Political Executive in Municipal Government". The research teams were sent to the cities of Delhi, Trivandrum and Aurangabad to collect information with regard to their family background, political background, views and suggestions on the functioning of the present system of Commissioner and Council Plan. The Centre has also undertaken a case study on octroi at the instance of the Indian Institute of Public Administration, New Delhi. The Report is being completed.

\* \* \* \*

The Regional Training and Research Centres in Municipal Administration have submitted concrete proposals to the Ministry of Health, Government of India, delineating their long-term activities during the Fifth Five Year Plan (1974-79). Since the inception of these Centres, Training and Research in the field of Municipal Administration have naturally received considerable impetus. Conceived as experimental units, these Centres were originally constituted with small staff and limited financial resources. It is perhaps time to consider their role in the light of the multifarious activities which they have gradually been called upon to play. The proposals, submitted by the centres, if accepted, would substantially strengthen their organisation which in turn will have beneficial results on the performance of municipal administration.



## BOOK REVIEWS

*THE LIMITED ELITE: POLITICS AND GOVERNMENT IN TWO INDIAN CITIES*; BY DONALD B. ROSENTHAL, Chicago, The University of Chicago Press, 1970, pp. 370, Price: \$ 12.75.

Based on extensive field work in Agra and Poona, the present study is a pioneering work in the field of municipal politics in India. The data and information for the study were gathered during 1963-64 and 1968. Written much in the tradition of American behavioral approach to political analysis, this research work deals mainly with the configuration of political groups and major political actors in the two cities of Poona and Agra. Basically, the thrust of the study is toward a methodological analysis of local urban politics which has a determining influence on the government and administration of the two cities. As the author observes, "dimensions of *system inducement* and *actor-perceived* opportunities constitute the major axes of the study". Obviously influenced by the current trend in sophisticated political analysis in the United States of America, the researcher has drawn on contemporary behavioral analysis and recent developments in the field of political development and modernisation. In a sense this study, therefore, aims at integrating micro-study of local political phenomena with the main stream of contemporary political analysis. Although the major part of the study is devoted to a thorough understanding of the political processes in operation at the local level, the investigation throws considerable light on the working of the Indian political system as a whole. Thus, the study tends to "view the Indian political system from the bottom looking upward".

Methodologically, this research work shows considerable inventiveness. In order to grapple with the unique political situation in the two cities in India the author has evolved a distinctive methodology which is substantially different from the general run of community power

structure studies and decision-making approaches to local political arena. The present study is essentially an investigation into the rubric of local political process. It deals with the roles of the political parties and social groups in political life, the recruitment and socialisation of individuals into municipal government, the actual activities performed by the actors in municipal politics and the interactions between the elected civic leaders and the administrative officials.

The research sought to distinguish between the nature of politics of the two cities by means of three analytically distinct dimensions namely the environments of the two political systems, the nature of the political arenas available in the two cities and the kinds of political actors operating within the available opportunity structures. The author identifies four types of political groups in behavioral terms in the two local political systems, namely, (1) personal following, (2) Ideational groups, (3) political machines, and (4) primordially based goods. An interesting finding of the study is that at the local level in India the political actors, in spite of their disagreements over the nature of the proper political order, show an ability and willingness to work within a system which, to quote David Apter, is essentially "instrumental" in character. The research study has unravelled very exhaustively the role of politicians and political groups in the cities of Poona and Agra and it is at its best in the methodical study of electoral behaviour in both cities. It contains a detailed analysis of the socio-economic background of the councillors in the two cities and the inter-group relations in the two Corporations. The operative part of municipal politics is evident in the analysis of the different

contesnts for municipal offices such as those of the Mayor and the Deputy Mayor.

The Municipal Corporation structure is unique in the sense that the State-appointed administrators, the Commissioners, legally occupy strategic positions in the organisations wherefrom they tend to dominate both policy formulation and administration. Within the spheres of involvement available to the elected corporators, the civic leaners naturally try to have their say. It is a familiar experience in all the corporations in India that the corporators often feel frustrated when the commissioner stands before them as a road block. The conflict between the "deliberative and the executive wings" is a common place in Indian big city government. This research work throws considerable light on the actual involvement of the corporators in corporation decision-making. It comes out with the finding that the polity making role of the corporators goes almost by default and the corporators generally perform their legally defined tasks with, of course, pressure from groups or interests. The political actors in the corporation seem to be absorbed in the formal rule applying, rule manipulating and rule modifying activities. Since the State-appointed commissioner is formally invested with authority to do much of the rule application, the main concern of the corporators is to manipulate or modify the rules in favour of their constituents. As the study reveals, the conflict between the State-appointed commissioners and the corporators is not always due to the formal positions of the two kinds of actors. Many a time the roots of the conflicts could be traced to behavioral orientations of the actors. Thus, one commissioner could successfully co-exist with the corporators while another would be heading toward a collosion.

The research study devotes an entire chapter to an analysis of the inter-section of municipal State and national politics. It brings out the vital political linkages between the localities and the larger political systems.

This research work draws pointed attention to the fluidity of political groups at the local level which is perhaps a reflection of a similar trend at high levels. The oft-cited complaint about corporators' intervention in the details of municipal administration could perhaps be co-related with the kind of "atomistic political individualism" as mentioned by the author. In an admirable summing up, the author refers to the direct and latent outputs' of the two political arenas at the local level. Palpably, the local political systems provide opportunities for individual and group rewards, partisan advantage and political expertise. The latent outputs include the systems' contribution to institutional legitimacy, their engagement in "broker function" and conflict resolution, and in their advancement of the cause of administrative particularisation.

In spite of its primary concern for configuration of power and influence in the local political arenas in the two cities, it has thrown up considerable material which could be profitably used to enrich comparative study of local government and politics.

Let us now examine some of the substantive concerns of the study. It is true that formally speaking, the institutional structure of corporation government in India is such that the corporators' roles are limited. Hence the title of the study, the *Limited. Elite*. Is this wholly true of the political systems in the two urban areas under discussion? The corporators do have substantial hold over administration despite the positing of the State-appointed chief executive officer. Especially when in a city like Poona, the political party in power has got a sound tradition of municipal management, the city administration naturally bends to accommodate the demands of the corporators. In terms of meeting the multifarious demands of the constituents such as sanctioning of building plans, removal of unauthorised constructions, provision of essential civic services such as education,

water supply and others, the corporators' role in acting as contact men and getting redressal of citizens' grievances can hardly be minimised. The chief executive officer, in spite of his formal position, has everywhere to move with the corporators. Otherwise, as the history of corporation administration shows, no chief executive officer can administer without the cooperation of the corporators. Where the corporation has important civic services such as local transportation under its control, the corporators wield considerable authority in respect of these services. Even in regard to internal personnel management, the corporators in a body or in specific committees exercise important controlling powers which tend to circumscribe the managerial role of the chief executive officer. In view of these considerations, one may rightly pose the question: how 'limited' is the role of the 'Limited Elite'?

The last chapter of the book shifts the focus from municipal politics to the Indian political system. In terms of analytical rigour, this chapter is no doubt the finest of all where the author has attempted to distill some general conclusions about the macro political system from his observation of the local political arenas. What worries him most is "the

excess of plural structures" which, *in his opinion*, stands in the way of a more soundly based democracy in India. Earlier in the discussion, he refers to societal segmentation, which limits the mobilizing role of political leadership. Thus the author observes, "where both the citizen and the government have a plethora of protection from each other, the result may be to insulate the citizen from directed change and to confound the government in activity irrelevant to societal needs". Apparently, this is a thought-provoking remark. But, in the absence of adequate empirical content, this appears highly impressionistic. The constraints on political leadership due to societal insulation and segmentation do not also stand to reason. If Mahatma Gandhi could operate politically, very successfully, in a segmented society, it is the nature of leadership that goes to determine the degree of political mobilization more than the nature of society itself. The correlation between "excess of plural structures" and the health of democracy cannot be so easily established by observed phenomena at two local political arenas. This raises basic problems about the macro political system which the author has touched only marginally.

—MOHIT BHATTACHARYA\*

*CASE STUDIES IN PANCHAYATI RAJ*, Vol. I, IIPA, New Delhi, 1972 pp. 161, Price : Rs. 12.00.

It is a welcome change in administrative studies in India that scholars are collecting good raw material from the actual field of operation instead of expressing personal opinions or ill-founded impressions without any feel of the field. Perhaps the seventies would be a period of good empirical studies in various aspects of administration in India. The compilation under review consists of eleven chapters contributed by three authors, i.e., Trivedi, Chaturvedi and Bhatt. The

authors have made use of government files, panchayat records, and personal interviews with the functionaries to describe the actualities of the functioning of Panchayati Raj in Gujarat. The studies reveal the chronic problem of administrative delays, primacy of administrative procedures over human needs, politicisation of official functionaries, interplay of politics and administration in decision-making, woodenness of administrators to face the challenges of development

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administration, and desire of politician to use administrative machinery for personal and party ends. None emerges with clear record from these studies. Officials are not only inefficient, but also extremely factional. Politicians not only assertive, but also petty. This is the reality of administration at the grass-roots level as depicted by these studies. Anil Bhatt's study reveals how political rivalries among the elected leadership "resulted in tension between the Taluka Panchayat President and the Project Officer and his staff, delayed the distribution of subsidy grants, affected other developmental programmes in the Taluka, and worsened the relationship between the Taluka Panchayat and the Zilla Panchayat" and, "after a while, it no longer remained only a subsidy issue but grew into a kind of cold war between the president and the administrative staff of Taluka Panchayat, which affected all developmental work in the taluka". Chaturvedi's study for 'water supply' shows how administrative procedures act as the bottlenecks in development administration.

These studies are a useful addition to our understanding of the realities of

grassroot level administrative processes. The volume under review suffers from two major flaws. The first flaw is : the authors have not been able to go into the depth of the reality. The dramatization of the constellation of circumstances, which is a unique contribution of the case study method as employed by the anthropologists, is missing here. Just to illustrate the point that the authors have not been able to catch all the threads of the politics-administration dynamics, the thinness of the volume is enough evidence. Eleven cases have been disposed of in less than 150 pages.

The second drawback of the study is that no attempt has been made to generalize at the end of the cases. Are these cases so 'unique' that no generalization is possible ? Such studies help in theory-building, otherwise these are not needed. Not only the three collaborators of this volume have any theoretical framework to guide their studies, they have not attempted at the end to pool their insight into any abstract thinking. Then why write ?

—C. P. BHAMBHARI\*

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# **NAGARLOK**

## **SPECIAL ISSUE, 1972**

### **SOCIAL WELFARE SERVICES**

#### **IN**

### **URBAN LOCAL BODIES**

The Special Issue of NAGARLOK (October-December, 1972) will carry articles from academicians and practitioners on the theme : *'Social Welfare Services in Urban Local Bodies'*. The different aspects of the subject planned to be covered in the issue are as follows :

1. Municipal Machinery for Welfare Services.
2. A Perspective of Municipal Welfare Services.
3. Role of Municipal Bodies in Social Welfare Services.
4. Inter-governmental Relations in Welfare Services.
5. Financing Municipal Welfare Services.
6. Municipal Welfare Services and the Five Year Plans.
7. Integrated Services in Urban Areas.
8. Urban Community Development and Welfare Services.
9. Role of Citizens in the Delivery of Municipal Services and their effective utilization.



# NAGARLOK

## SPECIAL ISSUE : WELFARE SERVICES IN URBAN LOCAL BODIES

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Vol. IV

October-December 1972

No. 4

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## EDITORIAL

The Advisory Committee for the Centre for Training and Research in Municipal Administration, at its seventh meeting held on December 7, 1971, suggested the theme for this Special Issue. It was felt that administrative problems of municipal welfare services have not received adequate attention, nor has any attempt been made to find out the actual range of welfare services rendered by the municipal authorities. This Special Issue has made an attempt to cover discussions on important aspects of administration of welfare services at the municipal level. It also carries a modest survey of the supply of different types of welfare services by the larger municipal corporations in the country. In a welfare state, it is naturally expected that provision of welfare services would receive considerable attention. Since the delivery of the services has to be made to different consumer groups at the local level, logically municipal authorities should be given the responsibility for the administration of welfare services. In fact, however, municipal bodies have often been by-passed on grounds of their administrative weaknesses and financial poverty. The result has been that in most cases the welfare services have not expanded much because of lack of articulated local political support. Also, their planning and administration have not always kept pace with the felt needs of the localities. Welfare services all over the world are heavily subsidised by the higher level governments, as these serve to support national programmes on minimum social needs. Additionally, to the extent welfare programmes have a redistributive effect, funds for their supply would naturally flow from higher levels of government. This point needs particular emphasis in the context of the present national policy on "Garibi Hatao". As the papers in this volume amply prove, municipal welfare services have failed to develop in tune with the rising needs of the services in the cities and towns. Yet, future public policy on the eradication of poverty has got to reckon with the fact that administration of local welfare services for the backward and depressed classes can best be undertaken by the locally elected bodies. This would render planning of the welfare services more realistic and help in mobilising local community resources, however meagre, to support the much-needed welfare programmes. This Special Issue draws our attention to a neglected sphere of municipal activity which urgently needs to be strengthened in our welfare state.

—Editor



# PERSPECTIVE FOR MUNICIPAL WELFARE SERVICES

Welfare services are provided so that the people have a sense of well-being. These services could be provided by the various tiers in the Government. Whatever the tier which provides the services the objectives for the provision are the same. Particular tiers can distribute among themselves the services to be provided. In the ultimate analysis what is important is that all the services necessary for the well-being of the citizens are catered to.

A sense of well-being can be created when the social rights of the citizens are taken care of. The perspective for any welfare services whether it is at the municipal level or the Central level must take into consideration the social rights. The universal declaration of human rights describes the social rights which all men should have.

First of all there is a right to work. This right includes favourable conditions of work and protection against unemployment, of just and favourable remuneration as well as the right to rest and leisure. Secondly there is the right to well-being. This includes the right towards standard of living, adequate help for himself and his family including food, clothing, housing, medical care and necessary social services. There is a right to education and culture. The right to free education, to choose any technical or professional education is a right that is to be equally accessible to all on the basis of merit. Further, education is to be directed to the full development of the human personality and to strengthening of respect for human rights and fundamental freedoms. The declaration also says that "every one has a right freely to participate in the cultural life of the community, to enjoy the arts and to share in scientific advancement and its benefits". The provision of the services to help the citizen realise these rights is a complex task.

A. P. BARNABAS\*

The context in which the services has to be provided needs to be considered;

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\*Deputy Director, Urban Integrated Project, IIPA, New Delhi.

only then the perspective can be realistic and relevant. From the point of view of municipal government growing urbanisation, is the most important factor. Actual growth rates in the last two census decades are shown in Table I

**TABLE I**  
**Growth Rate of Urban Population**

<i>Decade</i>	<i>growth %</i>
1951-61	26.41
1961-71	38.22

According to the latest census (1971), there are 150 urban areas with a population of more than one lakh. Increasing urbanisation has obvious impact on the provision of daily utilities which is by and large the function of municipal government. The problems the citizens face with regard to water, light, transport and shelter need hardly be described. These are quite well-known. For people to have a sense of well-being it is necessary that they be assured of the basic necessities of water, light and shelter. The perspective in these circumstances calls for a clear projection with regard to possible population in the next two decades and plans for meeting the needs of this population.

Apart from the basic services, a stress on some of the welfare and social services that are to be provided by the administration is immense. The number of schools available are usually inadequate whether it is up to the primary level or the higher level of education. The student-teacher ratio is also quite high. So it is not only the quantity of the services required but also the quality had to be looked into. The health services are also affected. The number of doctors required at a minimum standard is far below the requirements. A visit to hospital provides

ample evidence of the lack of the required number of beds; with increase in population open spaces are used for unauthorised construction and consequently recreation facilities get restricted.

There are a large number of social implications. Often the male members come to the urban areas leaving the families behind. This leads to loneliness. The lack of facilities adds to misery of the life of the individual. It is also possible that the individual who migrates to an urban area is not able to find employment. Consequently beggary and also crime increase. Housing being difficult, the migrants tend to settle in open spaces and build apologies for shelter. Over a time the slums become a thorn in developing the services. Delinquency, alcoholism, gambling and prostitution are much more the problems in urban areas and particularly in those where population is increasing at a very rapid rate.

Apart from these problems there are problems of the handicapped—mental and physical, problem of the aged, problem of the children of working parents and many others could be added. This gives a picture of the conditions which have to be ameliorated in order to provide a sense of well-being to the citizens.

So far no distinction has been made between social services and welfare services. It is rather difficult to make this distinction. If it is to be considered that an individual is entitled to all the social rights that have been mentioned earlier, it would seem that a distinction between these two types of services becomes redundant. The authority which should provide this could be discussed. May be the State government, as at present is the case, might take the major share in the provision of social services. The fact that the State government perform most of these functions is another factor that is to be kept in view while discussing the perspectives of the welfare services which the municipalities can provide. There

seems to be lack of confidence in the ability of the municipal authorities to perform the functions expected of them. This lack of confidence is indicated even in the limited services that the municipalities are expected to provide to the community. There is therefore need to work out a clear understanding regarding roles of the authorities at different levels in providing those services which would result in the well-being of the citizens. There is no getting away from the fact that the local authorities are much nearer to people and hence they should be the organisation through which the services could be provided. The local authority might act as an agency of the Centre and the State, if need be, in administering the services. Without greater role being given to the local authorities, it would be unimaginative to expect them to vitalise themselves for providing more services.

The welfare services that could be provided by the municipality were listed by a seminar on "Social Welfare at Local Authority Level" as follows :

"...Adult literacy and adult education; family planning; urban community development; programmes for family and child welfare; institutions for care, treatment, training and rehabilitation of socially handicapped persons like orphans, the destitute, physically handicapped and the aged; community recreation and cultural programmes; disaster relief; welfare of backward classes; housing; social security programmes like old age pensions; slum prevention, improvement and clearance; welfare of pavement dwellers; labour welfare programmes; workers education; prevention of crime and delinquency."<sup>1</sup>

These functions are legion. The important question of resources for the performance of these tasks must be analysed. It is well-known that at present the resources at the disposal of the local bodies are very meagre. This is true not

only for welfare programmes but also all other functions that they are expected to perform. In fact the welfare programmes are a low priority. The means of raising additional resources to meet the growing problems must be tackled in a realistic manner. More funds from the Centre and the State is only a part of the solution. Tax measures, remunerative projects, community contributions are areas that need to be explored. Without augmenting the financial resources, it would be futile to have a perspective plan for the welfare services that the municipal authorities should provide. The Fifth Five Year Plan (as indicated in the Approach Paper) makes provision for many of the activities that would fall under municipal welfare services. The local authorities must be on the alert to locate the allocations and to make use of them in providing better services. The provision in the plan includes not only the provision of welfare services for the handicapped but also for slum improvement and slum clearance.

It is difficult for the Centre to make a realistic plan in the field of social welfare as the local conditions vary. A uniform pattern that is suggested by the Centre could at best provide a broad framework and guideline. The local authorities, therefore, have the task of planning a meaningful programme at the local level. The local authority could set up a committee which would include representatives from the different departments of welfare and social services as well as voluntary organisations functioning in the area. It would then be in a position to suggest necessary variations to suit its particular situation. Where necessary the local authority should be able to deviate even from the broad framework, if the situation warrants it. In the process of planning the local authorities must assert their role. The panchayat samities and zila parishads seem to have a substantial role in planning the programme

<sup>1</sup>National Seminar on Social Welfare at Local Authority Level organised by the Indian Council of Social Welfare and the Delhi School of Social Work, New Delhi, February 27—March 1, 1969.

for their areas. Municipalities too should have such a role.

As at present many welfare activities are carried on by the municipalities. The administrative structure in performing these functions efficiently needs to be looked into. In most cases the performance has been erratic. The traditional administrative pattern found in most municipalities does not inspire confidence in the ability to undertake dynamic programmes. To meet the types of challenges that will arise in the process of rapid urbanisation, the administration must be flexible and forward looking. The need for training of personnel, their working conditions have to be considered. Often the welfare services are administered by persons who do not have the required training. This would also come in the way of being able to look ahead and project the type of problems and the plans to meet them. Perspective for municipal welfare services must analyse the structure and undertake necessary reforms within the structure so that there is an effective way in which the welfare services are administered.

The expenditure on the welfare services is often considered as unproductive. This assumption would deny that a relationship exists in the sense of well-being of an individual and his production. To give an obvious example, a man in poor health certainly cannot function at his best. So also a mother who is working would not be able to put in her whole effort as long as she is not sure of her children being taken care of. Apart from the fact that the individuals have a right to some of these services, it must be realised that productivity can go up when a person is helped to do so by the provision of services.

The social problems that are likely to emerge in the wake of rapid urbanisation have already been mentioned. The problems are inevitable and will continue to affect the society. The perspective for

municipal welfare services should take into account the need for minimisation of the emergence of social problems as well as their adverse effects on a society. The provision for housing could eliminate the emergence of slums. The problems that are found in slum situations might thus be mitigated. Vocational training would help in the prevention of delinquency. The provision of night shelters could prevent death due to cold or diseases that people might suffer due to exposure to cold. The important point is that the provision of welfare services will help bridge the gap between increasing population and lack of services available to them. It is in doing this that a sense of well-being can be provided and social problems reduced.

Reference has already been made to the loneliness of the individuals in the urban setting. In the urban areas there is very little sense of community. The welfare services particularly in the area of recreation, and urban community development programmes must be such as to convert the crowd in the urban areas into a community. The welfare services cannot be administered effectively without citizens' participation which can only come when there is some sense of community among the people. Lack of personal relations is not conducive to people organising or supplementing the services which would help in developing a sense of well-being among the members of the group. Developing a sense of community should result in self-propelling programmes. The financial resources are not the only ones to be considered. The human resources are also an important input.

The welfare services provided at any level must help the individual to enjoy the rights that have been indicated in the declaration of human rights. It is only then that he can have a sense of well-being. No doubt the magnitude of the task is immense. But given a clear perspective efforts can be made to accomplish the task steadily.



# ROLE OF MUNICIPAL GOVERNMENT IN SOCIAL WELFARE SERVICES

According to Chambers's Twentieth Century Dictionary 'role' is : 'part played by. . .' or 'a function'. We may, therefore, try to understand, in the context of the title of this article, as to what is the part that ought to be played and is in reality being played by municipal bodies in India in relation to social welfare services *i.e.* in the formulation and implementation of policies for social welfare services.

## *'The Ideal' : 'The Actual'*

An agency or an institution or an organization may be given a role—a function—to perform or a responsibility to discharge. In actual practice, however, we see that these stipulated roles are rarely performed perfectly. Much that is stipulated and expected remains to be achieved. This is true of most of the man-made institutions. It is true of municipal governments as well. One should, therefore, see what is the 'ideal role' of municipal bodies according to current thinking and what in reality these bodies do or what role they *actually* play in relation to social welfare services. It really means understanding their 'ideal role' and assessing the extent to which these bodies are playing the ideal role. We might call this incomplete performance of ideal role as 'actual role' at a given point in time.

The first question, therefore, is what ought to be the purpose which local government should serve: and what, at the present day, is its scope. The following extract from the Report of the Royal Commission on Local Government in England (1969) throws much light on the ideal scope of functions of local government as is understood in the contemporary context :

"...it was therefore on existing functions that we concentrated our attention. These are of immense scope and significance, covering as they do responsibility for the police, for the

●  
V. M. KULKARNI\*

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\*Deputy Director, Urban Integrated Project, IIPA, New Delhi.

fire service, for almost all education other than university, for the health and welfare of mothers and infants, the old and the sick, for children in need of care, for public health, for housing, for sport and recreation, for museums, art galleries and libraries, for the physical environment and the use of land, for highways, traffic and transport and for many other matters . . . . But in considering the structure which will best enable local authorities to discharge these responsibilities, we have kept in mind the whole potential of local government, given the existing functions as the substance of what it does. This substance we see as an all-round responsibility for the safety, health and well-being, both material and cultural, of people in different localities, in so far as these objectives can be achieved by local action and local initiative, within a framework of national policies. It is in this light that we have considered the purpose and scope of local government."<sup>1</sup> (Emphasis is added).

### Dual Importance

The importance of local bodies needs to be appreciated both as provider of 'environmental' and 'personal' services and as an attempt to sustain a viable system of local democracy: that is, a system under which government by the people is a reality. The importance of local government as a viable system of local democracy is well brought out by the Royal Commission Report when it says:

"Local government is not to be seen merely as a provider of services. If that were all, it would be right to consider whether some of the services could not be more efficiently provided by other means. The importance of local government lies in the fact that it is the means by which people can provide

services for themselves: can take an active and constructive part in the business of government; and can decide for themselves within the limits of what national policies and local resources allow, what kind of services they want and what kind of environment they prefer. More than this, through their local representatives people throughout the country can, and in practice do, *build up the policies which national government adopts—by focussing attention on local problems by their various ideas of what government should seek to do, by local initiatives and local reactions.* Many of the powers and responsibilities which local authorities now possess, many of the methods now in general use, owe their existence to *pioneering by individual local authorities.* Local government is the only representative political institution in the country outside parliament; and being, by its nature, in closer touch than Parliament or ministers can be *with local conditions, local needs local opinions, it is an essential part of the fabric of democratic government.* Central government tends by its nature, to be bureaucratic. It is only by the *combination of local representative institutions with the central institutions of Parliament, Ministers and Departments, that a genuine national democracy can be sustained*"<sup>2</sup> (Emphasis is added).

The role of local government and its relationships with government at higher levels is very clearly summarised by the Commission in the following quotation:

"We conclude then that the purpose of local government is to provide a democratic means both of focussing national attention on local problems affecting the safety, health and well-being of the people, and of discharging, in relation to these things, all the responsibilities of government which

<sup>1</sup> *Report of Royal Commission on Local Government in England* (Chairman—The Rt. Hon. (Lord Redcliffe the Maud), Vol. 1, HMSO, London, 1969, p. 10.

<sup>2</sup> *Report of the Royal Commission on Local Government in England, op. cit., pp. 10-11.*

can be discharged at a level below that of the national government. But in discharging these responsibilities local government must, of course, act in agreement with the national government when national interests are involved.”<sup>3</sup>

The close involvement of the national or in the Indian context in addition to that, of the state government in the affairs of local government in the changed circumstances is inevitable. And it need not be feared, provided it is properly understood and harnessed.

### *Commitment to Democracy*

It, therefore, becomes clear that in relation to provision of social welfare services, those who have opted out for a democratic way of life have to forgo opportunities of organising these services differently, even if these could be more efficiently organised in other ways. To some, democratic way of life might appear to be a severe constraint on their desire to organise these services quickly and efficiently. Leaving this point of view aside, we accept that in India social welfare services are to be provided within the complex structure of democratic institutions.

The scope of work of the municipal bodies in relation to these social welfare services may vary from time to time. What is necessary is to accept that the municipal bodies have an ‘all-round responsibility for the safety, health and well-being, both material and cultural, of people in different localities, in so far as these objectives can be achieved by local action and local initiative, within a framework of national policies’.

The Royal Commission has appropriately grouped the services of local authorities under two heads: (i) ‘environmental’; and (ii) ‘personal’. We are concerned

here with what the Commission describes as ‘personal services’, such as education, personal social services, health and housing. Here again the term ‘social services’ as is used in the U. K. needs to be understood. G.D.H. Cole<sup>4</sup> in his booklet *British Social Services* has listed the important steps taken in the U. K. in acceptance of an all-round public responsibility for social security, as follows:

“Thus, besides enacting a new National Insurance Act and an Industrial Injuries Act based in their main features directly on the Beveridge Report, the British Government, with the support in principle of the opposition parties, has during the past few years:

1. introduced a system of Family Allowances, providing cash payments in addition to the various benefits;
2. given further protection to homeless children under Act, 1948;
3. passed into law a National Health Services Act establishing a comprehensive free medical service for all citizens who choose to avail themselves of it;
4. increased substantially the rate of Old Age Pensions under both the contributory and non-contributory scheme;
5. extended the period for which unemployment benefit can be drawn, and accepted as a national obligation the maintenance of a high level of employment designed to prevent any return to the widespread long-term unemployment which afflicted Great Britain between the wars;
6. passed into law a National Assistance Act, which will cover those needs for the making-up of private incomes from public funds which

<sup>3</sup> *Report of the Royal Commission on Local Government in England*, op. cit. p. 11.

<sup>4</sup> Cole, G.D.H. *British Social Services*, Longmans, Green and Co. Ltd., London, 1948.

cannot conveniently be dealt with by the method of insurance.

In addition to these new legislative measures :

7. by the Education Act of 1944 and the administrative steps taken under it a great deal is being done to equalise educational opportunities between the children of rich and poor parents; and
8. under the Distribution of Industry Act of 1945 and other measures, action is being taken to re-establish the prosperity of those 'depressed areas' which were the shame and the disaster of the British economic system between the wars."

These steps when translated into services get related to social services which include education, health, housing, and supportive services to a variety of weaker and vulnerable individuals in the society. Cole also refers to the role of the local government in his booklet.

In the index of the *handbook of Public Social Services*<sup>5</sup> published by National Council of Social Services, London, the following services prominently figure : Public Health, Housing, Social Security Services, Child Care, Education, Amenity Services, Industry and Employment, Administration of Justice and War Pensions and Allowances.

#### *What are Social Welfare Services ?*

In the Indian context, education, health, housing, recreation are called 'social services' and enabling services for the special groups are called 'social welfare services'. The following quotation from the report of the Working Group on Social Welfare for the Third Plan explains these two terms thus :

"The term 'Social Welfare Services' is used to refer to that set of services

which are intended to meet the special needs of persons and groups who, by reasons of a social, economic, physical or mental handicap, are unable to make use of or are traditionally denied the use of amenities normally provided by the community. In this sense, 'social welfare services' are oriented to the needs of the 'weaker' or dependent sections, like children, in the community. Its recipients may be the physically handicapped persons such as the blind, the deaf, or the crippled, the socially dependent groups like the orphan, the widow, the destitute, etc., the mentally retarded individual, the economically under privileged groups living in slum areas, and women handicapped by restrictive social traditions.

"The term 'Social Welfare Services' is also used sometimes to refer to special services not recognised as a part of the normal social services such as those of health and education. Examples of such special services might be found in the youth welfare movement and the child welfare movement. The services visualized in these two movements are meant for all persons not only the socially dependent and the needy. It is primarily their character, since voluntary endeavour pioneered in these fields, which tends to make them regarded as a part of welfare services. It is possible, however, that some of them may pass over into the area of what are called social services, once the State has accepted them as a part of its normal responsibilities."<sup>6</sup>

The connotations of 'personal services' in the U.K. and the 'social welfare services' in India taken together, generally appear totally. All these services work for the well-being of the citizen by promoting, protecting good health of the citizen in the WHO sense of the term 'health' and

<sup>5</sup> National Council of Social Services. *Public Social Services: Hand Book of Information on Services Provided by the State*, London, 1949.

<sup>6</sup> Planning Commission, Government of India. *Report of the Working Group on Social Welfare for the Third Five Year Plan (cyclotyled)*, Delhi, 1960.

taking care of the citizen in ill-health with a view to treating and rehabilitating him. The author of this article chooses to call them all social welfare services.

All this discussion leads us to conclude that the local authorities—municipal governments—have a responsibility to contribute to the formulation of policies in relation to social welfare services and in organizing these services in the geographical areas over which they have jurisdiction. It is to be clearly realized here that while municipal governments could have major responsibility for implementing the policies in relation to social welfare services, it would not be correct to say that these municipal administrations have no role in the formulation of relevant policies. These institutions can influence policy formulation through feedbacks and other devices and using other mechanisms. The task is more difficult; and it is normally less efficiently performed; but its crucial importance cannot be denied. "...this only increases the need for strong and independent-minded local authorities, speaking with a voice to which the national government must listen, capable of injecting their ideas into national policies, competent to implement the policies in whatever way is best suited to local conditions, and without the need for any detailed supervision".<sup>7</sup> So much is now demanded of municipal governments and so much the governments at higher levels are dependent on them that the role of municipal government has acquired a new significance.

This discussion is allowed to be guided along with the situation obtained in the U. K. with a view to arriving at an understanding of an ideal role for municipal bodies in relation to social welfare services in the context of the current thinking on the subject. With this perspective, we may review the Indian scene.

India has rickety and out-moded municipal governments in most parts of

the country. These did not have even normal healthy growth over the decades these institutions have functioned. The social, economic and technological changes might not have affected life in urban India as much as in England; but the changes that have taken place in urban India are also considerable both in their quality and degree. The municipal governments in India seem to be inadequate to meet the current needs of urban life. Mohit Bhattacharya's assessment of the Indian urban government situation may sound harsh but it only tells how difficult is the task of securing for municipal government its proper place in the national democratic set-up in India. As Bhattacharya writes :

"Usually, the municipal Acts in India contain long lists of municipal functions but in practice the large majority of municipal bodies have very few positive service functions, such as public health—including water supply and sanitation, medical relief, vaccination and inoculation, and registration of births and deaths; roads and public works. Aside from these, they have some regulatory functions. . . In general, the municipal corporations have more functions than the ordinary municipalities. There may be stray instances of milk supply schemes or zoological gardens run by municipal authorities in some States, but, generally speaking, municipal functions have expanded very little over the years; not only that, the trend has been towards divesting the municipal bodies of their traditional functions and responsibilities. Municipal inability to provide for even the basic civic amenities and lack of proper thinking at the State level about municipal development have led to the creation of a general climate of loss of faith in municipal institutions. The debilitating condition of the latter has become an excuse for the establishment and perpetuation of competitive urban

<sup>7</sup> *Report of the Royal Commission on Local Government in England, op. cit.*, p. 13.

local institutions like Improvement Trusts, Housing Boards, and Water Supply and Sewerage Boards, and even for taking over of local functions by the State Governments. In many instances, the States' functional departments have sought to restrict municipal functions in order that the departmental organization and workload are not affected by municipal expansion. It may not be an exaggeration to say that the State-level technical departments have consistently been thriving at the expense of municipal authorities, and they pose a positive threat to the future growth and development of municipal self-government in this country."<sup>8</sup>

### *Service Aspect Prevails*

According to Bhattacharya's assessment, *municipal self government* might suffer an eclipse, though it may not be a total one. Role of urban local government as a system of viable local democracy may get increasingly limited, it seems to some. It may, however, be better to say that it might undergo a qualitative change and not disappear. But the service aspect in any case, even according to Bhattacharya, is expected to get more prominence in the years to come. Bhattacharya goes on to say: "As the States will be keen to ensure a minimum level of social services for all and there will be an ever increasing demand for essential urban amenities and *services*, the municipal bodies will be goaded by the State governments to cater to citizen's demands with a degree of efficiency." This clearly indicates that the role of municipal governments in relation to social welfare services ('social services' and 'social welfare services') will achieve greater eminence in days to come.

Since Independence the emphasis has been on providing public social welfare services in rural areas primarily. Municipal government received the Union

and the State Government's peripheral attention, but that too during the last decade. The Five Year Plans have taken note of some municipal government programmes such as water supply, sanitation, slum clearance, slum improvement, subsidised housing, city development, urban community development, etc. But much that is attempted through these programmes is outside the cane of 'social services' and 'social welfare services', except the work of urban community development.

### *Social Services*

In the area of social services as defined earlier, to-day municipal governments in India do provide education, health, services and upto a point are responsible for maintaining parks and open spaces for recreation, etc. In relation to these, there is however, no uniform policy. In the corporation cities and bigger municipalities local authorities play a more important role in the areas identified as 'social services'. We hear stories of erosion of municipal government's role in these areas. Bhattacharya further states :

"In West Bengal, the medical and health services of municipalities have long been provincialized and recently the State Public Health Engineering Department has made a proposal to divest the municipal bodies of their responsibilities with regard to water supply. Primary education is looked after by the State Governments in quite a few States, such as Rajasthan, Kerala, Jammu and Kashmir, and Punjab, and a State take-over is actively being considered in West Bengal. Anxiety of State Departments to ensure efficient administration of primary education is at the root of the creation of municipal school boards in Maharashtra and Gujarat under the Bombay Primary Education Act, 1947. The Board with

<sup>8</sup> Bhattacharya, Mohit, "Urban Local Government", *Perspectives* : Supplement to the *Indian Journal of Public Administration*, Vol. XVII, No. 4, Oct. Dec., 1971.

its separate constitution, an independent fund and a Government-appointed administrative officer provides a peculiar example of a government within a government. Thus, the rise of competitive urban local institutions and State take over of municipal functions have led not only to the erosion of municipal functions but also to the creation of an atmosphere of distrust of urban local government which is ominous for the development of municipal self-government in this country.”<sup>9</sup>

In Delhi recently *upper* primary education was removed from the auspices of the Municipal Corporation. This means in reality even in relation to education and health services the role of municipal governments is getting highly limited.

#### *Social Welfare Services*

There are municipal governments which run beggar homes, foundling homes, homes for the aged, and give grants to non-governmental (voluntary) agencies providing ‘social welfare services’

for the various types of handicapped persons; but much of this work has been historically developed under the auspices of State Governments and voluntary agencies. These services have not been developed on a large scale under municipal auspices.

#### *Conclusion*

In conclusion, we may say that municipal governments have an important role to play in influencing national and state policies for social welfare services (‘social services’ and ‘social welfare services’). Municipal governments have a more crucial responsibility in organising and operating social welfare services with a view to meeting local changing needs adequately and efficiently. At present, in the field of ‘social services’ the role of municipal governments, in reality, is highly limited and is in places getting further narrowed down. In relation to ‘social welfare services’ the contribution of municipal governments does not seem to be much. The gap between the ‘ideal role’ of municipal governments and the role they are actually playing is thus very wide today.

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<sup>9</sup> Bhattacharya, Mohit, *op. cit.*

SOCIAL  
WELFARE  
SERVICES  
IN  
MUNICIPAL  
CORPORATIONS :  
A  
SURVEY

Urban local bodies all over the world are primary agencies for ministering to the social, cultural and physical needs of the citizens. They provide for a variety of services and public utilities to meet social and economic needs and to ensure a healthy environment for the community as a whole. Their functions include, water supply, sewerage and drainage, public health and sanitation, roads and streets, city transport, school health programmes, establishing and maintaining pre-primary and primary schools, registering births and deaths and vital statistics, construction of markets, parks and play grounds, undertaking measures and programmes for the moral and social welfare of the citizens, providing milk or mid-day meals for school children, and promoting public participation are also among their functions.

They are also expected to undertake social welfare programmes for the general public and special services for some particular weaker sections of the community. Under this latter category fall programmes like provision of poor homes, night shelters, children's homes or creches, leper homes etc. These programmes do not cover the entire community. For example, education or water supply that is extended to the whole society is, thus, not treated as a social welfare service, for the purpose of this paper. In India, most urban local bodies have yet to attain any reasonable standards in this sphere. An attempt is made in this paper to find out empirically the extent of social welfare services actually provided by our municipal corporations in our country during the year, 1971-72.

In order to carry out this investigation, a comprehensive questionnaire was prepared and sent to all the 32 municipal corporations in the country. Only 11 municipal corporations or 34.37 per cent of the total, replied to our questionnaire. The replies received have been analyzed, although in a few cases the information

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and some of the data supplied were incomplete.

Out of the 11 municipal corporations that replied to the questionnaire, Varanasi Corporation clearly stated that it did not have any social welfare programmes.

#### *Legal Provisions Under Various Municipal Corporation Acts*

Under the federal set-up in India, social welfare programmes like education, health etc., are State subjects and local government falls exclusively in the State field. Most Municipal Acts assign social welfare programmes to the urban local bodies, describing them as obligatory or discretionary functions or subjects to which the municipal fund can be applied.

Section 115 of the Uttar Pradesh Nagar Mahapalika Adhiniyam, 1959, Section 43 of the Delhi Municipal Corporation Act, 1957, Section 141 of the Kerala Municipal Corporation Act, 1961, Section 67 of the Madhya Pradesh Corporation Act, 1956, Section 141 of the Madras City Municipal Corporation Act, 1919 and Sections 65 and 66 of the Bombay Provincial Municipal Corporation Act, 1949 specify the different kinds of social welfare functions that are entrusted to the municipal corporations. These functions are to organize, maintain, or manage the institutions including lunatic asylums, leper homes, orphanages and rescue homes for women, within the city; for the care of the infirm, sick or incurable; or the care and training of the blind, deaf, mute or otherwise disabled persons or of handicapped children, provision of milk to expectant or nursing mothers or infants or school-going children, prevention of vagrancy, maintenance of work homes, almshouses and special houses for disabled beggars. These functions also include contributions to any public fund raised for the relief of human suffering within the city or for the public welfare, poor relief, for removal of social disabilities of scheduled castes and backward classes, taking measures for the control and relief of beggary, organisation

and maintenance of associations for the prevention of juvenile smoking and cruelty to children.

#### *Social Welfare Services Actually Provided*

The various social welfare programmes provided by the different municipal corporations during the year 1971-72 are shown in Table I (pp 18-19). A comparison of the various municipal corporations reveals that the provision of poor homes (beggar homes), leper homes, cash assistance to destitute, old persons without means of support, receive considerable attention; other services like medical and nursing assistance to poor people in their homes, night shelters for pavement dwellers, orphanages, etc. have been relatively neglected.

Allahabad and Varanasi do not have any social welfare programmes as defined in our study. Delhi Municipal Corporation has the highest number of social welfare programmes followed by Madras and Madurai. The position in regard to all the municipal corporations is shown in Table I (pp. 18-19). The natural bias towards functions or programmes like education, water supply and other civic amenities, as compared to the social welfare programmes, may be due to the more specific legal provisions laid down in the respective Acts. It could also be due to the general apathy towards institutional arrangements for social welfare at the local level. Lack of adequate funds also tends to relegate social welfare programmes to a low priority.

#### *Expenditure on Social Welfare Services*

Although municipal corporations in India are generally expected to provide some type of social welfare services as mentioned earlier, actual conditions do not always correspond to the legal provisions laid down in various Corporation Acts for one reason or other. Total budget of the municipal corporation, amount allotted to social welfare services, grant-in-aid received from the state government and given to voluntary organisation are shown in Table II (p. 20).

**TABLE I**  
**Social Welfare Services Rendered by Various Municipal Corporations—1971-72**

S.No.	Type of Service	Municipal Corporations												Total
		Allaha- bad	Co- chin	Delhi	Indore	Mad- ras	Madu- rai	Nag- pur	Poona	Raipur	Shola- pur	Vara- nasi		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	
1	Poor homes (beggar homes)	—	+	—	—	+	+	+	+	—	—	—	5	
2	Children's homes or creches	—	—	—	—	+	+	—	—	—	—	—	2	
3	Relief to the disabled and handicapped	—	—	+	—	—	—	—	—	+	—	—	2	
4	Maintenance of lunatic asylums	—	—	—	—	—	—	—	—	—	+	—	1	
5	Maintenance of leper homes	—	—	+	—	+	—	—	—	—	+	—	3	
6	Maintenance of orphanages	—	—	+	—	—	—	—	—	—	—	—	1	
7	Rescue homes for women	—	—	+	—	—	—	—	—	—	—	—	1	
8	Care of persons who are in firm, sick or incurable	—	—	+	—	—	—	—	—	—	—	—	1	
9	Care for the deaf, dumb and blind	—	—	+	—	—	—	—	—	—	—	—	1	
10	Cash assistance to destitute old persons without means of support	—	—	+	+	+	—	—	—	+	—	—	4	



**TABLE II**  
**Financial Data About Social Welfare Service, 1971-72**

S.No.	Name of the Municipal Corporation	Total budget	Amount allo- ted for social welfare ser- vices	Percent allotted	Grant received from the State Govt.	Percent grant received	No. of volun- tary organi- zations	Grant-in- aid to vol- untary organiza- tions by the corporations	Average grant-in- aid
		Rs.	Rs.		Rs.			Rs.	Rs.
1	2	3	4	5	6	7	8	9	10
1	Allahabad	31,296,215	13,050	0.042	—	—	40	13,050	326.25
2	Cochin	23,944,753	385,000	1.608	100,940	26.218	3	980	326.67
3	Delhi	292,956,300	—	—	—	—	126	1,083,897	8,602.36
4	Indore	24,392,300	96,680	0.396	—	—	7	20,800	2,971.43
5	Madras	108,755,160	2,192,500	2.016	10,000	0.457	2	—	—
6	Madurai	53,819,500	280,000	0.278	—	—	—	—	—
7	Nagpur	N.A.	23,190	N.A.	11,595	50.000	—	—	—
8	Poona	64,798,732	—	—	—	—	153	440,050	2,876.14
9	Raipur	8,512,738	62,609	0.735	30,617	48.902	—	—	—
10	Sholapur	32,447,700	—	—	—	—	—	—	—
11	Varanasi	26,990,557	—	—	—	—	—	—	—

— = Nil  
N.A. = Not Available

TABLE III

Service, Agencies Run, Staff, Budget Provision and the Number of Persons Receiving Benefit During 1971-72

S.No.	Name of Municipal Corporation	Programme or Service	No. of agencies run by the corporation	No. of staff to run	Budget provision Rs.	No. of persons receiving benefit
1	Allahabad	—	4	5	6	7
2	Cochin	1 Poor home 2 M.C.W. Centres 3 I.D. Hospital	1 6 2	28 33 2	216,000 148,000 21,000	300 per day 350 per day 200 per year
3	Delhi	1 Welfare Centres 2 Vikas Mandals 3 Community halls 4 Social Education Centres 5 Reading Rooms 6 Physical Education Centres 7 Night shelters for pavement dwellers	34 11 19 48 13 37 21	N.A. N.A. N.A. N.A. N.A. N.A. N.A.	N.A. N.A. N.A. N.A. N.A. N.A. N.A.	N.A. N.A. N.A. N.A. N.A. N.A. N.A.
4	Indore	1 Destitute Assistance 2 Maternity and Child Welfare Centres	1 1	2 4	51,368 24,322	N.A. N.A.

1	2	3	4	5	6	7
5	Madras	1 Special homes for disable and diseased beggars	1	53	266,364	350
		2 Creches	8	56	105,000	260
6	Madurai	1 Poor home	1	6	30,000	45
		2 Creches	2	8	24,000	50
		3 CARE food	10	6	6,000	500
		4 Midday meals	1	21	220,000	17,000
7	Nagpur	1 Beggar home	1	N.A.	N.A.	N.A.
8	Poona	—	—	—	—	—
9	Raipur	1 Food and clothings to the destitutes	1	—	62,609	88
10	Sholapur	1 Medical aid to citizens	14	182	455,656	219,598
11	Varanasi	—	—	—	—	—

— = Nil

N.A. = Not Available

Out of the 11 municipal corporations, Varanasi did not provide any funds for social welfare services. Delhi, Poona and Sholapur did not show any budget provision even though they have reported some programmes, while Allahabad has shown some budget provision though it did not report any social welfare programmes. This discrepancy may be mainly due to the difficulty of separating the budget provision for general social welfare programmes and the special social welfare programmes with which we are concerned in our Paper. Out of the remaining 7 cities, Cochin and Madras earmarked more than one per cent of their budget towards social welfare services, and Allahabad, Indore, Madurai and Raipur below one per cent. Information is not available for Nagpur. These percentages include the amount of grants received from the State Government. Out of the 11 corporations 4 received grant-in-aid. Cochin, Nagpur and Raipur received more than 25 per cent of the allotted budget for social welfare programmes as grant-in-aid from the respective State Governments while Madras received only 0.457 per cent.

Allahabad, Cochin, Delhi, Indore, Madras and Poona have voluntary organisations ranging from 2 to 153 in number. Of these six cities, except Madras, others are giving grants-in-aid to various voluntary organisations, the average grant varying from Rs. 326 to Rs. 8,600 during the year 1971-72.

It may be mentioned here, that some municipal corporations expressed the desire to undertake more social welfare programmes provided, of course, the State Governments agreed to extend support by way of suitable matching grants.

### *Number of Agencies, Staff and Budget to run Various Social Welfare Programmes*

Table III on pages 21-22 gives details of the programme or service, number of agencies run by the corporation, staff to manage these programmes and budget provision in the corporations under study.

Delhi municipal corporation has the highest number of programmes as well as agencies to run these different programmes. These services are rendered not by the corporation but by private institutions. Allahabad, Poona and Varanasi did not report any agencies. The budget provision of the corporation for these programmes during the year 1971-72 is varying from Rs. 6,000 to Rs. 455,656 in the municipal corporations.

The administration of these services is entrusted to the social welfare, health and education departments of the corporations. Madurai and Delhi have departmental committees consisting of elected councillors and the Mayor.

To sum up, the social welfare programmes that can be taken up by the municipal authority are spelled out in various municipal corporation Acts. The corporations are carrying out these programmes to a certain extent meeting the expenditure from their own budget as well as with financial assistance from the State Governments. The voluntary organizations are also involved and the grants-in-aid are given to them by the municipal corporations. Given the necessary financial assistance, the municipal corporations expressed the desire to undertake more social welfare programmes for the citizens.\*

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\*The author is grateful to the Municipal Corporations for their ready response to the questionnaire.

ADMINISTRATIVE  
ORGANISATION  
FOR  
SOCIAL  
WELFARE  
AT  
THE  
LOCAL  
LEVEL

DEVA RAJ\*

The main objective of local government is to promote public safety, health, convenience and general welfare of its citizens so that they are able to live and work in a healthy environment, both physical and social. No government organisation is so closely connected and involved with the day-to-day life of the community and welfare of the people. A perusal of the obligatory and discretionary functions enumerated in most municipal laws will show that local bodies are social welfare organisations *par excellence*. For instance, Sections 42 and 43 of the Delhi Municipal Corporation Act, 1957, makes it incumbent on the Corporation to make adequate provisions for construction and maintenance of drainage works, public latrines and urinals; supply of wholesome water for public and private purposes; removal of obnoxious materials and abatement of all public nuisances; provision of transport facilities; public inoculation and checking of dangerous diseases; provision of medical relief and establishment of maternity and child-welfare centres; lighting, watering, naming and numbering of streets, maintenance of public paths and recreation grounds, protection of life and property in case of fire and the like. The corporations may also incur expenditure for the furtherance of cultural and physical education; the establishment and maintenance of libraries, museums, art galleries, botanical and zoological gardens, stadia, gymnasias, akharas; provision of entertainments, swimming pools, public wash houses; organisations of fairs and exhibitions; maintenance and management of such institutions as—children's homes, infirmaries, poor houses, lunatic asylums, rescue homes, shelters and homes for the deaf and dumb, the destitute and the disabled; undertaking slum improvement and provision of housing facilities. In short municipal bodies are expected to take care of their citizens in every sphere of their daily life from the cradle to the grave

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## *Welfare Functions without a Social Welfare Approach*

And yet municipal administration has suffered from a singular lack of a social welfare organisation or even an orientation to community service attitudes. Voluntary organisations and social work agencies who have undertaken welfare programmes in urban areas have complained bitterly about the total apathy of the municipal administration towards the organisation of their activities to ameliorate and improve the living conditions of depressed urban communities. It is not that municipal bodies are not incurring expenditure on welfare activities or public services. The functions performed by municipal bodies vary considerably depending on resources and the outlook and approach of the permanent officials and members of elected councils.

Apart from the duties of tax collection, grant of sanctions and licences and enforcement of municipal laws, rules and bye-laws, municipal activities are, broadly speaking, directed towards the following :

- (a) Provision and maintenance of public utilities, such as—water supply and sewerage, construction, maintenance and lighting of roads and bridges to facilitate movement and communications, conservancy and sanitation services and provision, wherever possible, of transport, electricity and milk supply services. These activities are carried out more or less as a matter of routine administration. These are public utilities that have to be paid for in the form of taxes or service charges, although they have an element of welfare particularly when these services have to be made available to the weaker sections of the community.
- (b) Public health and educational programmes such as maternity and child care, family planning, vaccinations and inoculations,

primary education, adult literacy, maintenance of local facilities and similar other programmes which require intelligent and conscious public cooperation and participation. There is a tendency on the part of municipal authorities to depend more on rules and regulations as well as routine bureaucratic methods and techniques to promote these programmes rather than on mobilising the urban community through a process of civic education and community organisation.

- (c) Provision of cultural, recreational and social amenities either by maintaining municipal institutions such as—recreation grounds, gymnasias, libraries and reading room etc., or by payment of grants to local organisations. In either case there is hardly any purposeful planning according to some well-defined policies and programmes and the expenditure lacks appropriate direction.
- (d) Programmes to relieve distress and destitution including public emergencies such as—rescue homes, poor houses, asylums and works of flood relief etc. These activities are taken up in a sporadic manner as a matter of expediency without any sustained budgeting and programme planning.

### *The Extent of Involvement*

While conscious cooperation of the public may be needed for economic and efficient working of public utilities and for full utilisation by all sections of the population, of public health and educational facilities provided by the municipal bodies, the activities mentioned in (c) and (d) above are predominantly welfare functions which can be promoted and developed only through enthusiastic public support and participation and considerable mobilisation of voluntary effort

depending on the development of socio-cultural ties that go to make a community. The performance of urban authorities in this field has however been far from satisfactory. Most municipal bodies fail to make any provision for welfare services. The Study Team on Social Welfare and Welfare of Backward Classes (Renuka Ray Team) of the Committee on Plan Projects had made a study of the welfare schemes of a number of local bodies and observed in their report submitted in 1959, as follows :

“It has been noted that out of 442 Municipalities/District Boards as many as 293, namely 66.3 per cent of them did not undertake any welfare schemes. Even among those which spent on welfare schemes, the expenditure incurred, by more than half of them, has been less than 5 per cent of their total expenditure. While this has been the position in regard to the Local Bodies spending on welfare schemes, the attention paid by them to schemes exclusively meant for backward classes has been practically negligible. Out of 289 Municipalities/District Boards which have supplied this particular information, 277 did not incur any expenditure on schemes intended exclusively for the welfare of backward classes. It has further been noticed that in all cases where money is spent by the local bodies on welfare schemes, the expenditure does not bear any relation to either the size of the population covered by the Municipality or District Board or the numerical strength of the backward classes.”

With the exception of stray cases here and there the general picture has not undergone any substantial change. This has been partly due to the absence of any planned approach and any systematic allocation of funds for welfare activities; but mostly because the municipal bodies do not have any organisation or department for developing local community life and promoting civic education and community organisation.

## *Social Welfare Administration and Local Bodies*

In the post-Independence period Departments of Social Welfare in one form or the other have been established both at the Centre and in the States. Their activities were reinforced by activating voluntary organisations for welfare work through the Central and State Social Welfare Boards. Social Welfare Officers have also largely been appointed at the district level. But the programmes have been largely directed to the rural areas involving Panchayat Raj institutions which were established as an outcome of the programme of rural community development. There were some programmes such as welfare extension projects (urban) of the Social Welfare Board for municipal areas but they hardly involved municipal bodies, who were starved both of guidance and financial assistance in the matter of social welfare schemes. Whatever social work was undertaken by the urban local bodies was financed mostly from their own budgets. The Renuka Ray Study Team recommended that Municipal Corporations and Municipal Committees should be recognised as principal welfare agencies in the urban areas and pleaded for regular Central and State assistance to these urban authorities for social welfare and for programmes for the welfare of Backward Classes. They also urged upon the local bodies to earmark a portion of their budget for such welfare activities and also enlist people's participation for contributing skilled and unskilled labour and gifts and donations. The urban local bodies have not, however, so far been involved in proper planning and development of social welfare programmes. It is not surprising therefore that the municipal bodies have not paid appropriate attention to the organisation of a social welfare set-up within their own framework.

### *The Present Set-up*

Although the number and status of officers in a municipal organisation may vary according to the size and magnitude

of a town or city, there are in all municipal bodies, broadly, speaking, the following departments :

1. The executive branch or general administration headed by an Executive Officer and assisted by junior Officers in the case of a municipality and a Municipal Commissioner assisted by Deputy Municipal Commissioners and Assistant Commissioners in the case of Corporations.
2. Revenue branch for imposition and collection of taxes and managing other sources of income.
3. Accounts branch, concerned with budget, finance and accounting.
4. The engineering branch concerned with public works, water-supply and drainage.
5. Public health, sanitation and medical departments including control of epidemics, maternity and child welfare, family planning, etc.
6. The department of education to include nursery, primary and secondary education (in so far as it may be taken up by a local authority), physical education, cultural and recreational activities.

Social welfare activities, if any, are largely handled either by the education department or directly by the executive branch itself. Early beginnings of social welfare activities are known to have made in the different municipalities in such matters as adult literacy and organisation of cultural and recreational activities with the schools providing the necessary nucleus. Often such programmes as the welfare of beggars, rescue homes, night shelters, leper asylums, wherever undertaken, had to be looked after by the administrative officers in the executive branch. Generally any desire on the part of the municipal council to promote welfare activities finds expression in the form

of grants to local institutions and voluntary agencies. Nevertheless there are instances in the major corporations where attempts have been made to organise such activities directly by the municipal bodies. A more recent attempt to provide the municipalities with some organisation for developing social work attitudes on the part of the administration on the one hand and community action and participation on the other, has been the starting of a few experimental projects in Urban Community Development in some of the towns and cities in the country.

### *The Delhi Model*

An illustration of the attempts to evolve some form of a Department of Social Services is provided by the Delhi Municipal Corporation. The earliest beginnings go back to 1948 when the Delhi Municipal Committee set up an Adult Education Department under the overall control of its Education Department. This organisation was gradually expanded into a social education organisation under a Senior Supervisor and a sizable field staff. The social education centres in different parts of the city organised literacy classes, reading rooms and libraries, craft classes for ladies, *mushairas*, dramas and other cultural activities. They were provided with appropriate staff such as lady helpers, craft teachers, social workers under a warden and an assistant warden. Quite apart from these activities of the education section, a Department of Urban Community Development came to be established in 1958 with the specific programme of Urban Community Development with assistance from the Ford Foundation. This implied a new approach of community organisation and developing local initiative in community activities through self-help and such assistance as could be obtained from the municipal departments. The department undertook in limited specified neighbourhoods intensive community organisation largely with a view to develop methods and techniques that could

be applied on a larger scale. The department continued to function, after the period of Ford Foundation grant was over, and an attempt has been made to extend the area of its activities with field staff more thinly spread. The programme was further supplemented and extended in 1966 with the addition of two pilot projects in Urban Community Development sanctioned for Delhi by the Government of India in the Ministry of Health, Family Planning and Urban Development. The Department of Urban Community Development functioned under a Director who was responsible both for the old projects having about 15 community organisers as well as for the two new projects spread in four localities with 14 community organisers under a Project Officer.

In recent years the Municipal Corporation of Delhi has taken steps to merge the Social Education and the Urban Community Development departments under a new Department of Community Services, headed by a Director and an Assistant Director. Apart from exhibitions and fairs and some emergency calls in the event of a calamity, the activities of the departments are confined to the social education centres and the specific areas where the new and the old Urban Community Development projects are functioning. The Department is also stated to have a complaint cell performing the role of public relations. The department cannot, however be considered to be a full-fledged social welfare department in the broader sense.

### *The Role of a Department of Social Welfare and Community Development*

The objectives and role of a Department of Urban Community Development and Social Welfare in our major towns and cities can be briefly stated as follows :

- (a) To ensure a more effective utilisation of services provided by the municipal organisation by promoting public cooperation and

participation. For instance, it is necessary to mobilise public support for such services as education, prevention of communicable diseases, sanitation, removal of garbage, conserving drinking water-supply, preventing damage to public places for recreation and entertainment which are provided by the municipal organisation. Municipal services can be made more effective only by developing civic consciousness.

- (b) To act as a lever and driving force for promoting social welfare policies and programmes and orientating the official and elected machinery toward a social work bias. In spite of the provisions in the municipal laws there are numerous problems such as juvenile delinquency, slums, night shelters, beggary, welfare of Harijans and Backward Classes etc., that fail to catch the attention of the municipal bodies. A Social Welfare Department can ensure systematic, planned and regular provision for social welfare activities to be undertaken either directly by the municipal agency or by assistance to appropriate voluntary organisations in the city through a judicious disbursement of grants.
- (c) To develop a civic base through community action in local neighbourhoods, for undertaking self-help activities in social, cultural and economic fields which would ordinarily not be the concern of the municipality but would require mobilisation of voluntary effort and harnessing for the benefit of the locality of such assistance as may be available from private agencies and government departments. Needless to say that this aspect of community work will contribute substantially to the realisation of the first two objectives.

## *Social Welfare set-up at the Local Level*

All municipal bodies would require a social work set-up as a vital of its administrative organisation, if the importance of the above mentioned role is appreciated. The shape and size of a social work organisation however, may vary with the size of the municipality, depending on tasks to be undertaken and resources available. The Executive Officers and Secretaries of municipalities of different grades enjoy varying pay scales and allowances and the same can apply to Social Welfare and Community Development Officers. In the smaller municipalities with a population upto 50,000, there may be an SW/UCD cell or Section under an officer assisted by three or four Community Organizers. Field social workers may have to be engaged, in addition, in accordance with the programme undertaken directly under the auspices of the municipality. This cell should function directly, under the Executive Officer, and should assist him in formulating social welfare programmes and policies.

Bigger municipalities should have a separate department under a Social Welfare Officer, with a minimum of 8 Community Organisers (male and female). They should be qualified in social work or should be graduates with adequate experience of field work so as to assist in surveys and studies on the various problems confronting the urban communities. It may even be necessary to have one or two statistical assistants depending on the work-load to ensure systematic analysis of data and its interpretation to make available to the Municipal Councils basic information for evolving social welfare policies and community development programmes in a realistic manner. Major corporations and cities with a population of about 4 lakhs or over should have a well-organised department under a Director of Social Welfare and Community Development. The strength of Community Organisers will vary according to requirements of each case. But it will

not be necessary to have a large team to cover all areas.

The Community Organiser and Welfare Workers apart from general training in social work should include persons with specialised training in such matters as—health education, cooperatives, adult literacy, organisation of economic programmes and the like.

One of the tasks of such a department would be to develop local citizen councils or to encourage existing voluntary agencies of local people to take an active interest in civic matters and organisation of community activities. The department should also be entrusted with the work of organising publicity and using audio-visual aids for furthering various programmes sponsored by the Municipal Councils. As such the department should be the direct concern of the Executive Officer or Municipal Commissioner.

There is the danger of such a department becoming the mouth-piece of public grievances and pitching itself against the other service departments of the Municipal Council. It must be emphasized that the role of the department should not be one of a critic but of understanding to bring about a synthesis between the public and official view points in the general interest of civic development. It should be the department's first duty to help in the promotion of programmes sponsored by the various departments of the local body.

### *The Role of Government*

Any proposals for systematic development of an administrative structure for social welfare at the local level is not likely to make much headway without an active interest in the matter on the part of Central and State Welfare Departments and the Central and State Social Welfare Boards. The urban local bodies have generally been left out of the thinking and plans of the social welfare departments. It is evident that if full use is made of

urban local bodies in promoting welfare activities, the Government will not only be activating an important mechanism at the local level towards fulfilment of welfare objectives, but also it will help in mobilising local resources for welfare programmes. As pointed out earlier, the recommendations of the Renuka Ray Study Team should receive the attention of the Central and State Governments, and steps should be taken to involve the urban local authorities in welfare programmes. This will also enable the State departments to influence the thinking of the local bodies and to provide necessary guidance to them in formulating their own programme of community development and welfare.

The Government departments of social welfare can play a far more vital role in offering training facilities to the commu-

nity organisers as well as orientation of departmental staff of the municipal bodies by themselves and through other departments of the State Government as may be necessary in respect of such activities as public health education, co-operatives, audio-visual aids, etc. The senior officials and elected representatives of the Municipal Councils should also be asked to join in the seminars and conferences on social welfare problems so as to give them the necessary perspective to promote social work activities.

There is nothing new in the suggestions made above. Such training facilities and suitable assistance and guidance have been made available to Panchayat Raj institutions. It is time that attention is paid to the rather complex and sensitive urban community by establishing direct links with urban local bodies.



# INTER-GOVERNMENTAL RELATIONS IN MUNICIPAL WELFARE SERVICES

Municipal welfare services are defined here as those services which are made available for the use of specific local consumer groups such as the deaf and the blind, the poor and the aged, beggars and vagrants, women in distress and so on. Discussions on inter-governmental relations presuppose the roles and interactions of governments in the actual discharge of a function. Let us, therefore, first of all examine the range of welfare services which the municipal authorities in this country are *actually* rendering. We are not interested in the statutory role of municipal authorities; for the municipal Acts generally provide lists of numerous welfare functions including maintenance of institutions like leper homes and lunatic asylums, poor homes, infirmaries, orphanages, houses for the deaf and dumb and the disabled, rescue homes for women, poor relief, night shelters, care of the sick and the incurable and control of beggary. Statutorily, the municipal authority is envisaged as a charitable institution which would provide certain services to the urban poor. As it has been rightly observed, "these activities would give the impression of poor relief or care of the disabled, infirm, etc, rather than the dynamic enabling function of welfare which covers preventive services as well as rehabilitative and curative programmes".<sup>1</sup>

In practice what the municipalities do in regard to these functions is not unknown. As most of them live in a state of perpetual financial crisis, the welfare services generally go by complete default. Some cities make small provisions for marginal on-going services in this field. Owing to pressures for allocations to more urgent civic amenities like water supply, education, roads, etc., the general tendency everywhere is to play down the welfare functions. Cases are not uncommon where

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<sup>1</sup> A. B. Bose, "Planning for Social Welfare at Local Authority Level", paper submitted at the National Seminar on Social Welfare at Local Authority Level organised by the Indian Council of Social Welfare and the Delhi School of Social Work, New Delhi, February 27—March 1, 1969.

the municipal authorities have been quite keen to hand over their existing welfare institutions to the State government to give relief to their finances.

In this connection, the findings of the Renuka Ray Study Team are interesting. As they noted, out of a sample of 442 municipalities and district boards as many as 293, constituting about 66 per cent, did not undertake any welfare schemes. "Even among those which spent on welfare schemes, the expenditure incurred by more than half of them, has been less than 5 per cent of their total expenditure."<sup>2</sup>

One important finding of the Committee is that despite this poor performance, wherever the local bodies have undertaken the welfare services, they have borne the major portion of the expenditure from their own domestic resources. The State government contributed about a third and Central contribution was less than one per cent of the total expenditure.

The position remains virtually the same even today. The bigger municipal corporations and municipal bodies generally provide for some funds for an assortment of welfare services for the poor, the aged, the infirm, the diseased and disabled and for women and children. Municipal welfare services are very often rendered to the different groups through a grants-in-aid programme under which the municipal authorities offer grants to voluntary organisations who actually operate the services. Instances of direct municipal operation of welfare services are also quite common. Thus the Delhi Municipal Corporation offers old age cash assistance to old people and widows without means of support. Maternity, child welfare and family planning programmes are undertaken by several

municipal authorities. The Corporation of Madras runs a special home for the infirm and the disabled. A women's home is maintained by the Lucknow Corporation. The Madurai Municipal Corporation has a poor home for the aged and the infirm. Similar instances of direct municipal operation of welfare services can be multiplied. But the fact remains that the municipal authorities are in general unable due, mainly to acute financial difficulty, to pay enough attention to the welfare problems of different groups of citizens within their jurisdiction.

The dilemma in the provision of welfare services can be clearly stated. Almost all the welfare services are meant for specific classes of people at the local area level where the poor municipal authorities, left on their own, find it impossible to meet the needs. From the national point of view, in spite of the present spurt of sympathy for the poor and the downtrodden, our growth-oriented economic planning does not leave much room for allocation of substantial funds to welfare programmes which are all in the nature of direct consumption expenditure. The only alternative left is, therefore, to exhort the voluntary welfare agencies to undertake the services with occasional doses of grants-in-aid from the government. It is for this reason that whatever welfare services are *locally* available can be found out from the reports of the *Central Social Welfare Board*,<sup>3</sup> which operates mainly through grants-in-aid programmes for specific services run by voluntary organisations. In the urban areas, the municipal authorities, as the Renuka Ray Study Team pointed out, have to fend for themselves.

Given the limited resources that can presently be allocated to welfare functions

<sup>2</sup> *Report of the Study Team on Social Welfare and Welfare of Backward Classes*, Vol. I, Committee on Plan Projects, New Delhi, 1959, p. 106.

<sup>3</sup> See, for instance, *A Study of the Programmes* (1953-69), The Central Social Welfare Board, New Delhi.



the real question in relation to the provision of urban welfare services does not pertain to inter-governmental relations. The central problem is to fix the location of the organisation that would primarily be concerned with the administration of local welfare programmes. It can be put bluntly that in India the general tendency is to by-pass local municipal government in the matter of provisions of welfare services and the choice has fallen on the welfare boards and the State governments. Many of the State governments are responsible for directly operating a number of local welfare programmes. In either case, the contradiction is crystal clear. The local community welfare services have their incidence directly on the local people who alone are fit to fix priorities in respect of the services and without whose active support it is well-nigh impossible to sustain a programme for any length of time. Strangely enough, the general trend in India is however to locate the major decision-making powers in regard to welfare services either at Delhi or at different State capitals. The disastrous result of this peculiar situation can be best illustrated with the help of a quotation from a report of the Central Social Welfare Board :

“Even though the urban schemes sponsored by the Central Social Welfare Board patronised very desirable cause, the progress registered so far has not been to our satisfaction. In spite of a good deal of time, money and energy spent on the urban programmes, the public and the local administration did not, to the extent desired, participate, cooperate or respond favourably to the programmes. Roughly, the reasons for the lack of popular support can be stated to be that (1) the activities initiated might not have catered to the real needs of the locality. (2) unawareness, indifference or fatalistic outlook might have made people indifferent to their needs”.<sup>4</sup>

This explains the predicament of our social welfare administration. One of the main reasons for keeping the welfare programmes away from the municipal authorities is to depoliticise their administration. It presupposes that administration through boards and State governments is uncontaminated by ‘dirty’ politics. As any experienced administrator would know, this is hardly true. Nor is it desirable that local welfare services should be divorced from the operation of local political forces. Ultimately, whether adequate municipal funds will be allocated to local welfare services or not would depend on the strength of the ‘poverty lobby’ or the ‘welfare lobby’ at the local municipal level. In this respect the recommendation of the Renuka Ray Study Team is sound in principle as they suggested that the municipal authorities ‘should be recognised as the principal welfare agencies in the urban areas’.<sup>5</sup>

Apart from the very important democratic consideration, there are significant administrative advantages in keeping the local welfare services with the municipal authorities. A municipal authority is a multi-functional body. The local welfare functions have vital links with a range of normal municipal functions such as water supply, medical and health services, education and so on. Hence, the benefits of integrated administration can be reaped by placing the welfare services in municipal hands. Moreover, specialisation is needed in many of the welfare functions which can be provided only by a permanent institution like a municipal authority rather than a voluntary organisation with an uncertain future. It is also much easier to identify priority areas in local welfare services when the municipal body has full responsibility for them. The peculiar welfare needs of a distant locality cannot be assessed by a body located at Delhi or any State capital. Since allocation of resources can be more accurately made

<sup>4</sup> *A Study of the Programmes (1953-69)*, op. cit., p. 147

<sup>5</sup> *Ibid.*, p. 106.

from a locally situated body, a municipality-based local welfare service may well be a guarantee against wastage of scarce financial resources. A municipal authority, unlike a voluntary organisation or an autonomous board has its independent sources of revenue, and when local welfare services are left to its care it can provide for some funds at least from its own domestic resources. Another important pro-local government argument put forward by the Seeborn Committee in England is worth quotation:

"We see a high level of citizen participation as vital to the successful development of services which are sensitive to local needs, and we do not see how, at present, this participation can be achieved outside the local government system."<sup>6</sup>

Local government in England is firmly rooted in the tradition of governance in that country. In India, on the other hand, one has to spend a good deal of arguments to build a case for municipal democracy. That is why we have discussed in some details the advantages of municipality-based administration of local welfare services in our urban areas. In certain cases, reputed voluntary organisations with necessary expertise in a particular field may have to be encouraged to play their role. But in general a volunteer is no substitute for an expert, and it may not be possible for a voluntary organisation to sustain its services with requisite quality for a long time in a fast changing social matrix.

Fortunately, there is greater consciousness today at the national planning level about the role of local government in catering to local services within the general framework of national and State policies and directions. The desirable shape of inter-governmental relationships

has been succinctly put in the fourth Plan document thus: "... in their very nature, most of these (welfare) programmes can be effectively implemented only through a favourable environment for cooperative working between various operating agencies, governmental and non-governmental, at the level of the local area and the community. It is important that these agencies should be given freedom to administer and execute, to change and adapt, and to find their own solutions for the many problems which must arise from day-to-day within each community. The primary task of agencies at higher levels is to create conditions in which agencies directly responsible for carrying out schemes can best succeed. Beyond a point, planning and direction in detail from above can hinder implementation. Secondly, the key to the success of social welfare programmes lies in each community taking an integrated view of community welfare and accepting the obligation of looking after the interests of all its members, and specially of those who need the help most. This implies that everything possible must be done to strengthen local self-governing institutions and voluntary organisations"<sup>7</sup>

Voluntary organisations cannot be mechanically strengthened. These have to depend for their success on the community's willingness to sustain them. Local self-governing institutions, on the other hand, form an integral part of the country's democratic structure. To place the responsibility for the operation of urban welfare services in the hands of municipal authorities is good as much for the services involved as for our political core value. The efficient management of these services would of course depend, among other things, on an efficient municipal administrative structure and a liberal policy of income transfer from the

<sup>6</sup> *Report of the Committee on Local Authority and Allied Personal Social Services*, London, HMSO, Cmd 3803, 1969, p. 43.

<sup>7</sup> *Fourth Five Year Plan : A Draft Outline*, Planning Commission, 1966, p. 364.

higher levels of government to the municipal authorities.

What we are envisaging is that local welfare services in our urban areas should primarily be the responsibility of municipal authorities. It should be left to them to choose in appropriate cases certain voluntary organisations to operate specific services with financial and administrative (including planning) assistance from the municipal bodies. The higher level governments—the Centre and the States—cannot be expected to have operating responsibilities in regard to local welfare services. The Central Government will be interested in this field mainly from the planning point of view. For instance, a national poverty programme within the framework of five-year plans will have considerable impact on local welfare schemes. In our federal system, the Centre, relatively speaking, is endowed with more financial resources than the States; but most of the functional responsibilities that affect the citizen directly have been placed in the hands of the States. The States in turn have delegated many of their local responsibilities to the local representative bodies. As we go down the ladder of government, the domestic

financial resources of lower level governments are generally too meagre to meet their functional needs. The position is worst at the local government level. Hence a dynamic role of municipal government in the sphere of welfare services would be a reality only when the State governments would agree to give liberal financial support to the municipal welfare programmes. To the extent, these programmes would fall within the scope of national five year plans, the Central government would also be involved in their planning, from the national perspective, and financing. Apart from giving grants-in-aid, the State governments would be responsible for legislative proposals, framing of State policy on welfare services, general coordination of the services at the State level, collection of State-wide data and information on welfare programmes and their dissemination, guidance and general direction of local schemes. The success of municipal welfare programmes would ultimately depend on an intelligent partnership between the State governments and the municipal authorities each respecting the other's position and yet coalescing in a common endeavour to improve the urban environment.

## FINANCING MUNICIPAL WELFARE SERVICES

Following the Planning Commission, we would define welfare services to mean those programmes which are meant for the underprivileged or backward sections of the community. In a poor country, such as India, the major thrust of the public welfare services has to be economic. The dimension and magnitude of an anti-poverty programme calls for a massive effort on the part of the Central Government to device ways and means to tackle the problem—both because of its resource position and the basically national character of the problem. On the other hand, the public *social* welfare services might as well be administered by the States and the local authorities, with suitable grants-in-aid from the Centre, as these need a high degree of skilled supervision and necessary flexibility which are possible only when these are locally based. In India economic welfare services are yet to develop on universalistic lines, while a rudiment of social welfare services tends to be particularistic. The role of the local authorities are at best marginal in this sphere.

### *Municipal Welfare Services*

At the municipal level, the financing of welfare services is done primarily from the internal revenue of the authorities concerned, unlike the States where most of the schemes are partly financed by the Centre. Even then the proportion of municipal expenditure devoted to welfare services—around 5 per cent—stands favourably compared to the budgetary allocations of the State governments on similar heads. The tendency at both these levels, however, is to subsidise voluntary efforts of the social-welfare organisations. The machinery for planning and executing these services remains weak at all levels, of government due to the indirect nature of administration through the mechanism of an elaborate system of grants-in aid. It is essential, if social welfare services are to be taken seriously, to demarcate the responsibilities : (i) between

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public and private efforts, and (ii) between the State governments and the local authorities—from the points of view of coverage, quality of service, continuity of programmes and administrative viability. The Renuka Ray Study Team's delineation of the role of the municipal authorities in this connection was apparently not based on a rational examination of these basic objectives.<sup>1</sup> Programmes for socially depressed communities, like the Harijans, or the economically depressed classes like the beggars, ought to be formulated and financed nationally and no local effort, except in a limited sense, can really make any dent on the existing scale of the problems.

On the choice of agencies for implementing the social welfare programmes also, there seems to be a great deal of confusion. For instance, the Ray Study Team categorically suggested that the municipal authorities should be recognised as the principal welfare agencies in the urban areas.<sup>2</sup> When the Team turned to discuss the administrative structure for welfare services, the municipal authorities were, however, forgotten. Instead, the State machinery at the district level was chosen to undertake local schemes.<sup>3</sup> The committee did not even consider the administrative and fiscal ramifications of State-municipal relationships in this context, nor was the relationships between the municipal authorities and the voluntary organisations discussed at any length. Unless these institutional questions are clarified at the highest policy level, it is futile to expect that the municipal authorities would take social welfare seriously and divert funds from environmental to community and social welfare services. Before the fiscal aspects of the social welfare services are examined, the functional

responsibilities should be squarely met.

### *Fiscal Implications of Social Welfare*

Granted that the municipal authorities have a role to play in social welfare, what could be the fiscal implications of such a policy? First of all, the municipalities must be involved in the planning process of the States so that there is an agreed municipal sector aided by the State governments in the State Plans. In addition, in the State Plan itself there should be a State-sponsored sector, consisting of priority schemes having State-wide importance but implemented through the local government agencies—as in the case of national planning exercise.<sup>4</sup> These modifications in the planning process and its financing at the State-local level would substantially help the municipal authorities to be involved in the formulation and implementation of local projects, including social welfare schemes.

Secondly, the municipal authorities being the grass-root governments, it would be appropriate to orient these to the tasks of administering the social welfare services directly instead of relying on a medley of voluntary organisations sustained through grants-in-aid. Such a role seems more appropriate for the State governments, which are somewhat removed from the operational base of many of the specific welfare activities. Also, the State governments are in a better position, than the municipal authorities, to enforce minimum standard of services from the voluntary organisations aided by public funds.

Thirdly, cost effectiveness in social welfare seems an urgent necessity both at the State and local government levels.<sup>5</sup> Too often, welfare schemes have been launched without proper feasibility studies resulting

<sup>1</sup> *Report of the Study Team on Social Welfare and Welfare of Backward Classes*, Planning Commission (Committee on Plan Projects), New Delhi, 1959, Vol. I, p. 107.

<sup>2</sup> *Op. cit.*, p. 106.

<sup>3</sup> See Part IV, Ch. I of the Report.

<sup>4</sup> Similar suggestions have been made earlier by the author in his paper on 'State Grants and Shared Taxes', *Nagarloka*, October-December, 1971.

<sup>5</sup> United Nations, *Social Welfare Planning in India*, by A. B. Bose, Bangkok, 1970, p. 100.

in poor quality of performance and wastage of efforts. Suitable guidelines for the planning of social welfare services could be evolved by the Planning Commission, and the welfare officers of the State and local governments might be trained in formulating viable programmes of action.

Fourth, a higher priority in terms of public expenditure at all levels of government—Central, State and Local—is called for towards social welfare. It is futile to expect the municipal authorities according a higher priority to social welfare from their own resources when the Centre and the States regard this as no more than a residual responsibility. The points of accumulation of public finance in the country should give a lead in this direction so that the points of utilisation at the local level are properly geared to the tasks of serving the community.

### *Looking Ahead*

So far we have adopted a rather restricted view of municipal welfare activities. If we also consider the other related activities of the municipal authorities in the spheres of community development, slum improvement, education, health, recreation, staff welfare etc., then the range of such services would appear to be wider. In any society where income disparities are marked, such activities would necessarily benefit the poorer sections of the community. However, there is a limit to which this type of redistributive

expenditure could be carried out by a municipality which is at variance with the level of such services outside its borders. Any local welfare policy, unless coordinated with the neighbouring local authorities, runs the risk of being a self-defeating process through migration. Therefore, at least at the State level, the minimum desirable social services should be planned and the local authorities encouraged to meet the standards and expectations. Similarly, some of the major national programmes have to be laid down by the Centre.

The nature of the social services, including social welfare, are such that these tend to be more expensive with the process of economic development. These services absorb a high proportion of skilled manpower and their salary tends to be the most important component of cost. As in the fields of education and health services, other municipal social services could also receive a salary-grant from the State government, so that the municipal expenditure could be devoted to capital and non-recurring items of cost.

The fiscal role of the municipal authorities in social services in general, and in the sphere of social welfare in particular, thus seems to be rather limited. Their biggest contribution would be to help the State governments in achieving a State-wide minimum social service programme through their community-based institutional structure.

# INTEGRATED SERVICES FOR CHILDREN

The term 'integrated' is used so frequently and in such widely varying contexts as a prefix to programmes that it has become more of a cliché than a term with precise connotation. At its best, it indicates an awareness of the complex inter-relationships among various aspects of human needs and problems. At its worst, it is used to give a new label to an old scheme which, for various reasons, acquires an unfavourable image, and therefore needs a new start with fresh allocation of resources.

The ultimate objective of services for children is the fullest development of their physical, mental, emotional and social potential. In spite of massive expansions in services and the launching of new programmes in the last two decades, millions of children in India today remain illiterate, under-nourished, sickly, ill-clad and shelterless. In addition to inadequacies in individual services, the fragmentation and lack of coordination and integration among various sectoral services significantly reduce their individual and joint impact. In the context of scarce resources and vast numbers of children in need, an integrated approach is required in order to deal with this diversity and complexity of needs in a planned, economical and efficient manner. Admittedly, integration as an approach has remained somewhat elusive. Nonetheless, an outline of what it could and should mean, and its possible implication deserve serious consideration.

## *Inter-sectoral Assessment of Needs and Resources*

Today we know a great deal about the interaction between a number of developmental requirements of a child. A valid assessment of needs and the deployment of resources for children's services must be inter-sectoral rather than piece-meal. The disturbing relationship between malnutrition, apathy and lack of response to environmental stimuli, and impaired learning behaviour in young children is sufficiently established for us to recognize

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that a starving child cannot benefit from a nursery school, however scientifically operated. Similarly, the impact of supplementary feeding programmes for children in a number of areas is known to be very limited unless *simultaneous* control of helminthic infections and education of mothers in proper child feeding in the family are accomplished.

Apart from the concomitance of multiple needs, it is essential to view the child's life span as one continuum with inter-related sequences, varying rhythms and emphases. For instance, the maturation of the physical systems of a child is more rapid during the first two years than at any other time in his life. Between three to five years, however, his motivational systems assume an ascendancy. While the child's requirements during each of these phases call for a differential approach to services, the interaction between these various needs is equally crucial. The manner in which the infant's physical need of food and proximity to the mother is fulfilled can significantly condition his emotional attitudes to the outside world and his values. To take another illustration, the foundations for vocational training to be imparted to an adolescent at 16 must be laid in his preschool years, by helping him develop inter-sensory coordination and manual dexterity through properly designed toys and educational materials.

In this sense, it is imperative that each phase in a child's life is seen as a preparation for the succeeding one, avoiding abrupt changes and discontinuities. This implies that the priority and timing of services for children and points of crucial intervention in order to correct imbalances or inadequacies must be carefully determined. Concretely, this requires a careful inter-disciplinary identification of what minimum combinations and sequences of inputs—whether food supplements, immunizations, play and educational equipment, relationship with adults etc.—are vital to child development. In the context of scarce resources this approach is essential in making rational

decisions about priorities in the use of resources.

### *Supportive and Indirect Components*

An integrated approach to children's services implies not only a planned and responsible management of direct services to children but also of those aspects which indirectly influence the well-being of children. A glaring example is the tragic relationship between the protein deficiency of the pregnant mother and poor brain cell development of the unborn child. A small food supplement for a mother in the last three months of pregnancy can significantly increase the birth weight of the child and reduce infant mortality. Nutrition of pregnant mothers thus assumes crucial significance in an integrated plan for children. Some recent studies have brought out the strong correlation between the high birth parity of children in the family and their low nutritional level, thus stressing the importance of limiting the family size. Similarly, high rates of school drop-outs among children have been traced to low education and economic level of parents. Such findings highlight the importance of providing necessary supportive services such as health and nutrition of pregnant and nursing mothers, family planning, and family life education of parents. Indeed, the whole community needs to be educated in order to derive maximum benefit from investment in services for children.

### *Linking of Physical Environment and Services for Children*

The rapid deterioration of the already inadequate sanitation in large metropolitan centres has focussed attention on the need to ensure at least minimum physical infrastructure if children are to benefit from social services. The Calcutta *bustees* have amply demonstrated that curative medical services can achieve relatively little as long as children have to live in huts surrounded by garbage heaps and stinking cess-pools. A high incidence of respiratory diseases and tuberculosis in



some of the urban slums cannot be checked as long as millions of children live in congested, damp, smoke-filled hovels. Innumerable children will continue to suffer from diarrhoea and dysentery as long as they have no access to clean protected drinking water.

This inevitable relationship between the physical environment and social services raises a number of issues and suggests probable strategies. In the existing slum areas, slum improvement programmes—which generally include provision of clean drinking water, drainage and sewerage, latrines, paving and lighting of streets—must be closely coordinated with health services for children. In areas which are deteriorating into slums, preventive action for minimum physical improvement must be a pre-requisite for additional investments in social services. Where resources are extremely limited, the relative costs must determine whether and how much of the resources should go into improving existing slums as against laying the basic physical infra-structure for anticipated new settlements. These kinds of choices are extremely difficult in India, since between a third to half of the total urban population is already living in slum or near-slum conditions. Realistically, this compels a consideration of what type of minimum preventive and protective services can and must be provided to children in slums, given the fact that the prospects of any significant improvement in their living conditions in the near future are not very bright. There is an unlimited and relatively unexplored field for public health engineers, town planners, medical men and community organizers to come up with simple, easy-to-maintain and financially feasible systems of sanitation and protective health services for slums and shanty-towns which are here to stay for a long time to come despite all wishful thinking and tall promises.

While the grim realities of dealing with children in existing slums need to be faced squarely, even more important is the task of *preventing new haphazard*

*urban settlements* which will rapidly deteriorate into slums. The present inexcusable policy of drift and dangerous inaction must be replaced by clearly formulated and firm policies regarding land-use, tenure, provision of transportation and basic amenities, taxation, financing for housing, and other related issues which will effectively regulate the rate and direction of future urban growth and check the emergence of slums, thereby protecting the interests of children.

The planning of new urban extensions must include not only the provision of the physical infrastructure for basic environmental amenities, but also, *as a matter of course*, allocation of sites for balwadis, schools, playgrounds, health centres, and other community activities. A lot of imagination and foresight must go into mapping the locations of various services for children in relation to other types of land-uses, and their spatial constellations. Furthermore, there is immense scope for experimentation with low-cost but functional physical structures which would ensure maximum efficiency and economy in administering services for children, and be in harmony with the lifestyles of the people who will use them.

#### *Operational Implication of Integration*

One of the major pre-requisites for developing an integrated approach to services for children is the creation of machinery such as Children's Boards at national, state, and local levels which will adopt an intersectoral perspective towards assessing the need of children and allocating resources. These boards should bring to bear on planning for children substantive expertise and administrative experience in a variety of fields. They must enjoy freedom from constraints by vested interests and have the authority to implement agreed plans and to experiment with unconventional approaches when necessary.

At the city level, such a board should have representation from various state and municipal departments—depending on varying local situations—concerned

with public health, medical services, nutrition, education, recreation, care of pre-school children, vocational preparation, basic environmental amenities, town-planning, special services for handicapped sections etc. It must include experts from academic and research institutes of child development, medicine, education, physical planning, public administration and management, social welfare etc. representatives of selected voluntary organisations and citizens groups.

While the board should primarily be responsible for formulating an integrated plan for children and broad implementation policies: a full-time coordinator or a commissioner for children should be entrusted with promoting effective implementation of the plan in its day-to-day operation. He should be assisted by a field staff of community organizers, a records unit and a permanent research-monitoring-evaluation cell. His main function should be that of coordinating the activities of various government, municipal and voluntary agencies, helping to remove operational bottlenecks, taking corrective measures if original plans proved inadequate in the light of feedback from the field, promoting programme orientation of policy-makers, administrators, field staff and the community at large and identifying areas for further study and experimentation.

A firm and unflinching commitment to integrated planning for children implies establishing a rational order of priorities among programmes for children, a readiness to experiment with alternative methods of reaching objectives, evaluating relative costs and results of different courses of action and effecting appropriate changes in existing programmes. In the face of overwhelming evidence regarding the crucial significance of the early years for child development, our investments on the younger age-group will have to be stepped up substantially, even if this means curtailing or postponing some of the targets for older children. If, for instance, high rates of non-enrolment and

school drop-outs in slums are related to children being unprepared for formal schooling, this may justify a higher investment on school-readiness programmes for pre-school children which combine small informal primary sections located in the slums, rather than multiplying more primary schools of the formal conventional type. To take another illustration, the present arrangements for school health examinations, which in most cases provide very perfunctory examinations of large numbers of children with poor or no follow-up and treatment, need to be closely examined. A number of alternative approaches to getting better returns from the same resources need to be explored: How can parents and teachers be taught to take better preventive steps and identify children needing referral? What kind of diagnostic and treatment functions can be performed by the para-medical staff, thus releasing the doctor's time for more complicated cases? How to enlist the participation of private practitioners for the purpose of extending coverage, reducing costs and promoting decentralisation of school health services? This approach really amounts to identifying what inputs will yield the maximum results and in what clusters and revamping existing allocations of resources accordingly.

In operational terms, integration of services for children may justify linking two or more sectoral services under a common administrative control; pooling budgets, personnel, physical facilities of two or more agencies for the purpose of providing a common but more efficient delivery system; generic training of personnel for combining a number of specialized tasks currently performed by separate functionaries and a rational allocation of all types of resources and responsibilities among governmental and non-governmental agencies. The current experiences in health services make a strong case for bringing together maternal and child health services, family planning, nutrition, immunizations, and health education under one "roof" through simple,

unpretentious, decentralized health posts close to where people live. Such an approach is likely to reinforce the mutual impact of individual services, in addition to taking services to people, wherever they may be, in the heart of crowded *bustees* or remote settlements.

Integration in services for children is a difficult goal and pre-supposes that individual services must be streamlined and made more efficient. Furthermore, the existing gaps in services must first be filled (although this does not necessarily mean duplicating present patterns) to bring about better coordination and integration among services. The levels at which integration should be introduced must also be carefully examined. In certain situations, integration is better achieved at the local field level rather than at the policy-making level. In other situations, integration at intermediate and field levels may be impossible without effecting it first at the top levels. At all events, the operational aspects of integration at the field level must be clearly and explicitly worked out if integration at higher organizational levels is not to remain a mere good resolution. This exercise will perforce focus attention on the legal, financial, organizational and admini-

nistrative structure and functioning of local bodies and on action necessary to strengthen them for effective performance. This in itself is a complex and baffling field. While detailed discussion on this point is clearly out of place here, it can not be over-emphasized that local bodies cannot realistically live up to the new demands constantly made on them unless their organizational framework is completely reorganized.

Despite all the possible organizational and administrative devices, integrated planning for children demands basic attitudinal changes on the part of planners, administrators, field workers as well as the community. Essentially, the integrated approach calls for a willingness to see the child as a whole entity rather than as segmented aspects, the wisdom to subordinate narrow sectoral loyalties to a larger purpose and resilience in the face of changing situations. Changing attitudes is an extremely difficult process and the movement is bound to be slow and fraught with frustrations. But a beginning can be made by first taking the simpler and smaller steps of mutual communication, cooperation and coordination to pave the way towards the more challenging task of integration.



# URBAN COMMUNITY DEVELOPMENT AND COMMUNITY SERVICES

SUBHASH CHANDRA\*

## *The Back-Drop*

“God made the country and man made the town” said Cowper, but this man-made innovation has not much to boast of. Practically any five-point list of the serious problems of our contemporary civilisation is likely to include in one cryptic variation or another, a reference to the problem of urban living. To Louis Mumford, the whole pattern of urban living is an excrescence so far removed from our ideal as to demand total revolution in the design of living.

In the Indian context, urbanisation is accelerating so fast that it has overtaken the rate at which the general population is growing. In the ten years between 1961 and 1971 the number of people in India's urban areas grew by nearly 38 per cent while the overall population increased by about 25 per cent. With the population of 109 million in 1971, as against 78.8 million in 1961, urban India ranks as one of the biggest countries in the world. The number of towns increased from 2,700 in 1961 to 3,121 in 1971 of which 150 towns had a population of one lakh or more. A quarter of India's urban population, however, lives in 10 cities, nine of which have a population of more than 10 lakhs.

A concomitant of urbanisation in India has been the proliferation of slums which has assumed unimaginable dimensions. The invasion of cities by destitute village and other populations has continued unabated. Utterly helpless and poor and with no skills of any kind to facilitate their absorption into the urban economy, the new immigrants at once become a burden and menace to their places of emigration. Besides contributing to the prevailing congestion and confusion they claim a share in the rapidly deteriorating civic amenities such as water supply, housing, sanitation, hospital facilities. The municipal administration which has in general been not known for efficiency, helplessly watches the growing urban chaos. No serious attempts are

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being made to stem this urban rot. Local bodies do not have adequate funds and resources to grapple with the stupendous problem of urban reconstruction. The structure as well as the jurisdiction of local government, is far short of what is needed to provide essential services effectively.

The urban poor have no alternative but to live in a squalid chaos of tenements, hovels and shacks huddled together in narrow congested streets, alleys and lanes with almost, a total lack of proper drains, latrines, water taps and street lighting. Anti-social behaviour such as crime, delinquency, prostitution and alcoholism etc. are not unusual. Dissatisfaction and frustrations arising out of these conditions have serious repercussions on the stability of urban living.

It is in due recognition of these factors that the Government of India is seeking to regulate the growth of cities with several measures of urban planning. The urgency of urban planning has been scratching the conscience of the city planners. The First Five Year Plan looked at the urban problem as merely a housing problem. Approximately 1.3 million urban houses were added in both the public and private sectors. In the Second Plan, the allocation was doubled but it hardly touched fringes of the problem. The Third Five Year Plan gave more thought to the problem and recognising that urbanisation was the immediate outcome of industrialisation, proper dispersal and location of industry as also greater coordination between different agencies concerned with urban planning was suggested. The plan also drew pointed attention to the social and economic consequences of rapid growth of urban population and laid particular emphasis on programmes of social and environmental change in urban communities despite their large size, higher density and greater heterogeneity.

The Fourth Five Year Plan indicated a closer look at the problem and observed that "Slum clearance led to the creation

of new slums and deterioration of conditions in some of the older slums. In cities where the slum populations is large, this approach would not be effective and it would be necessary to try to ameliorate the living conditions of slum dwellers as an immediate measure". The plan suggested greater emphasis on limiting the rise in the prices of land, providing financial assistance to cooperatives and private effort and assuming legal powers for reconditioning of slums. It hoped that there would be greater coordination between all the agencies including those of public health, housing, sanitation, transportation, water supply, cultural development and general well-being.

### *The Problem*

Despite sound approaches and concerted planning very little could happen by way of implementation of various plans evolved in successive five year plans. As a matter of fact the discussion of urban development has tended to proceed in certain set grooves. The talk of the economic virtues of urban development is countered by an expression of serious concern for the social evils that grow with urbanisation. Suggestions for sophisticated techniques of town planning are offset by the so-called practical realities of civic administration and general apathy of urban populace.

However, it has been widely recognised that the planning authorities will have to be well seized of the seriousness and urgency of the urban explosions and that the policy and strategy must meet the urgency of the problem. The policy should undoubtedly have a long-term perspective and also short-term measures in step with the distant goals. The feeble, halting, incomplete and disconcerted measures of the past have to give place to a comprehensive, integrated and coordinated policy to be put through on an emergency footing. It has also been realized that unless programmes of slum clearance and settlement of slum dwellers are drawn on a more realistic basis relating them to economic opportunities and provisions of

social services and social welfare services, the results may well turn out to be frustrating. Mobilisation of massive resources for urban development and coordination of the efforts of public and private agencies are the two factors which govern the success of urban development in relation to its physical and economic aspects. For a long time, all the attention was paid to material structures and infrastructures; the 'human factor' was relegated to the background. Very limited means were given to foster the formation of the appropriate instruments of socio-cultural interventions which aim at increasing citizens participation in the task of community reconstruction. An urban development programme confined to the physical improvement of shanty towns can reach its limits very soon. Unless a socio-economic content is introduced in urban development programmes, there would not be incentive enough for sustaining such efforts.

Another factor which has been identified as a barrier in the development of urban local government is the lack of urban traditions and an urban way of life among the vast majority of city dwellers. The attitudes, values and behaviour patterns of rural immigrants differ considerably from those of the town dwellers. This cultural and behavioural hiatus between several layers of differentially urbanised populace fails to produce the sense of cohesion, and results in the lack of integration and a sense of commitment to improve the quality of urban living. Their allegiance is primarily to caste or religious groups rather than to the local community.

A particular characteristic of rapidly expanding urban areas has been the ever-increasing institutionalisation of society and the individualisation of man. Institutionalisation can be seen in the scope of governmental, municipal and non-governmental services in the city. Government has grown larger, there are more specialists to take care of varied services, and the active participation of individual people in the improvement of urban society has correspondingly diminished. As a

consequence an ordinary citizen has become less and less articulate and makes fewer contributions to the decisions that shape his own destiny or the collective destiny. The democratic experience, whereby the voice of the ordinary citizen at the local grassroots can be heard in higher level decisions, is lost. Even non-governmental or voluntary agencies are frequently cut off from those whose needs they presumably serve. Some way needs to be found in which urban residents, particularly those living in depressed areas, can develop a sense of community, of importance and unity within the structure of the city. Another problem is to find some way to speed up the process of change in slum areas and, at the same time, to affect large numbers of people.

#### *Urban Community Development: A Mode of Intervention*

Urban community development has emerged as a possible form of intervention to solve some of the problem of the city in general and of the slum in particular. It involves two fundamental ideas: the development of effective community feeling within an urban context and the development of self-help and citizen participation in seeking community integration and change.

Basically, urban community development is a social process by which city dwellers can become more competent to live with and gain some control over local aspects of a frustrating and changing world. It involves cooperative efforts, group decisions, collective action, and joint evaluation leading to continuous action. It calls for utilisation of all helping professions and agencies, both voluntary and government, local and outside, that can assist in problem solving. The personal betterment is brought about in the midst of social action that serves a growing awareness of community needs.

In India, the first urban community development project was initiated in 1958 in Delhi with the help of a grant from the Ford Foundation. It was subsequently followed by Ahmedabad (1962), Baroda

(1965) and Calcutta (1966) Projects. Then in the year 1966, 14 pilot projects, spread almost all over the country, were sponsored by the Union Ministry of Health. These projects were conceived as exceptional outside agents, who were to define the most urgent needs in the service areas and the most appropriate mode of intervention, and then were to undertake the task of stimulating the indispensable participation of the forces, public and private. In other words, they were to act as catalysts in a developmental process whose major actors were to be the state, the local body, voluntary organisations on one side and the local population on the other.

The objectives of urban community development incorporate the following operative elements :

- (i) Creating a sense of social coherence;
- (ii) Promoting a sense of national integration;
- (iii) Developing belongingness to the urban community;
- (iv) Creating a way of thinking and improving problem solving capacity;
- (v) Bringing about a change in attitude;
- (vi) Developing local initiative; and
- (vii) Ensuring fuller utilisation of technical and welfare services.

These goals are to be achieved through corporate civic action, participation of people in community affairs, experiences in using their own initiative for self-help and mutual aid, constant motivational efforts to activate the community for collective action, help and guidance in identifying local initiative and training local leaders; and through helping the community to locate sources, municipal, governmental and non-governmental, from where the technical and welfare services can be made available.

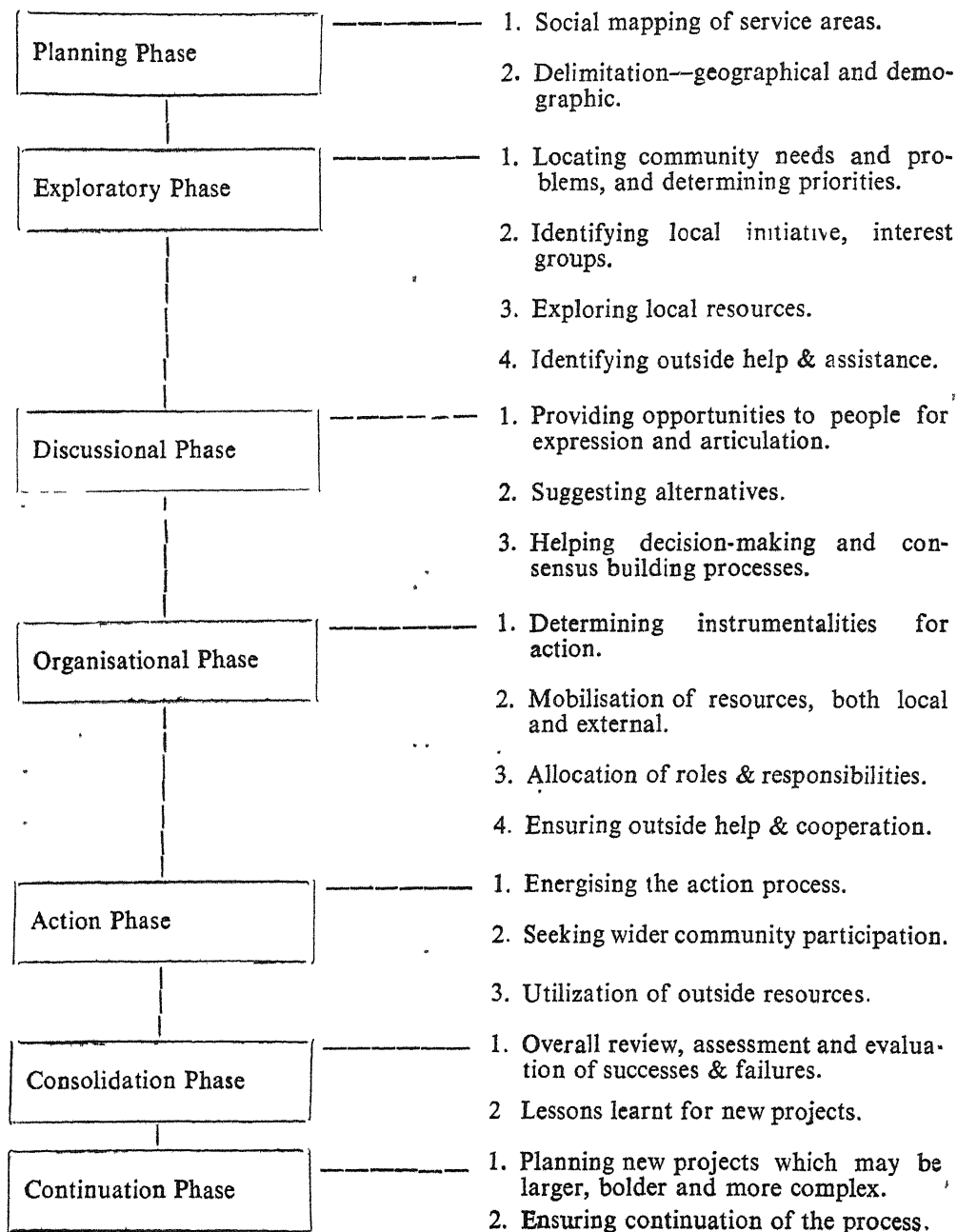
The emerging methodology of urban community development supports the conviction that social improvement does

not occur until the people involved believe that improvement is possible. The people must be sufficiently convinced to take the initiative. The fact that they may be mired in apathy does not preclude their growing into the self-confidence of responsibility. As people are brought to feel a sense of community and to adopt goals that serve their growing concept of community, the conviction that they are able to contribute to social improvement seems to increase in them. The following operative principles govern the processes of urban community development :

1. The process depends upon the formation of a community—serving small group—or the utilisation of one already in existence. The start may be made with a single group or nucleus, but may proliferate into sub-associations of many similar groups. The intimate relationship of participants in small groups is important for the development of personal competence and initiative.
2. Though the process starts with a few people and continues through the actions of small groups, it is holistic *i.e.* it seeks local wholeness that includes all people, all sections of the community.
3. The people's desire for change must precede any successful development action, as permanent change will come only as a community sees the need for the change and as the capacity for making such changes is developed by the group.
4. The urban community development worker assumes the responsibility of activating and energising the process, he influences growth toward self-direction.
5. The process becomes more effective when a collaborative effort involves the work of all institutions, agencies and helping professions. The community approach should seek to be locally all-inclusive.

Operational processes of urban community development involve several phases as indicated in the following flow chart

*Operational Flow Chart*





The community organiser is the key-functionary to the programme. His role is that of a catalyst and he is expected to initiate a process which is self-reliant, democratic and self-sustaining. Activities initiated to develop local initiative and skills are likely to contribute to this end. He has to use problem solving activity as medium for improving people's motivations, competence and confidence. He, along with other functionaries of the programme, has to strengthen and increase the effectiveness of the relationship between government departments, voluntary agencies and the people of the community.

A recent study\* of urban community development projects sponsored by the Ministry of Health has revealed that urban community development projects have been able to make appreciable headway by sensitising people to their needs and problems, bringing their aspirations and discontentment to surface, arousing their interest and enthusiasm for improving their conditions of living, and mobilising the support and assistance from various government and voluntary agencies.

### *The Coordination Strategy*

To achieve an effective programme of continuous community improvement and reconstruction requires the resources and involvement of all types of groups working on many facets of community problems. Many programmes have been launched and are being launched for curing our urban ills. Most of these programmes stress things to be done to or for the people—more relief, more and better housing, the clean up of slums, nutrition and health measures, and so on. All these programmes are needed but they lack the essential elements of people's involvement and their development. Community development pro-

cesses are addressed to this essential need. These processes provide, not the answers, but the means by which citizens can seek answers. Some important sources of outside intervention or help can be social welfare agencies, civic and philanthropic organisations, professional associations, educational institutions, business houses and industry, charitable trusts and endowments, local body and its various departments, and various government departments.

Social welfare agencies, both privately financed and tax supported, include services to practically every kind of human handicap, but are generally circumscribed by the rules and regulations and their limited approach. They will welcome intelligent and informed help from urban community development nucleus as this will put them in contact with their potential clientele and will ensure fuller and better utilisation of their resources. Civic associations and philanthropic organisations such as Rotary, Lions, Masons, Chambers of Commerce, Clubs and societies are generally anxious for the opportunity to co-operate, at least financially. Urban community development programme can provide them a local nucleus for their programmes. Educational and professional institutions have vast resources in terms of their extension services, skills in survey and research, consultancy services of various kinds etc. The All India Institute of Medical Sciences recently announced a shift in emphasis in medical education from specialisation to training of community oriented doctors—where each medical student will be assigned some families whose health and disease pattern will be followed by him over a period. Similarly, the proposed scheme of setting up 'Model Community Schools' can also be functionally linked with the programme of urban community development. Charitable trusts and endowments can also be effectively roped in for providing financial

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\*Evaluation Study of Urban Community Development Projects, Central Institute of Research and Training in Public Cooperation, New Delhi (1972).

support for community services that come closest to their stated objectives.

The efficiency and effective functioning of local bodies and standard of services provided by them depend not only on the organisational procedures, financial capabilities and administrative and technical competence of the municipal personnel but also the interest, understanding and cooperation of the citizens. Urban community development programme can assist the local body toward this end by educating, orienting and organising local communities and helping them to adopt right procedures and follow proper channels to ensure redress of their problems and grievances. It can enlist the cooperation of local people for undertaking self-help activities which can supplement and expedite the provision of physical and civic amenities. On the other hand, the programme can draw the attention of the municipal body on the problems of the area and can mobilise greater departmental action and attention.

Similar functional linkages can be established with state departments which have been set up to serve some specific function such as employment, social welfare, relief and rehabilitation, small scale industries, housing, health, education etc. The Central Government has also been increasing its agencies and programmes that can provide help to local initiative and can offer much-needed structural support by way of resources and programmes. The Union Ministry of Works and Housing has recently launched a scheme for environmental improvement of slum areas which provides for cent per cent grants to the states. Confined to 11 metropolitan cities, each with a population of 8 lakhs or more, the scheme envisages provision of basic human necessities such as dispensaries, primary schools, community facilities and other civic amenities. The Centre has earmarked Rs. 20 crores for the scheme. Schemes of this nature can provide

tremendous support to the programme of urban community development and vice-versa. Their mutually reinforcing roles can result in spectacular progress towards urban reconstruction.

### *Conclusion*

The staggering problems of the city are too enormous for the local bodies to solve them. Government resources also seem to be inadequate to cope with stupendous problems that our cities in general and its depressed areas in particular throw up continuously. Mere tinkering with the problem will lead to serious social upheaval which ultimately may overwhelm the entire social order. The slums and depressed areas of our cities are simmering, boiling with unrest as conditions of existence have reached crisis points; only a spark is needed to set off violence. Only way in which this situation can be dealt effectively is through corporate civic action, organised and directed by people themselves and reinforced by all technical and administrative services required for urban reconstruction.

Urban community development programme is the first and only programme devised to help the urban poor at their own levels. The performance of these projects have demonstrated their potentials the fruition of which will require adequate support and help from urban planners and administrators. The whole idea of urban community development has to take the shape of a movement where the entire city, its engineers, lawyers, educators, doctors, businessmen, industrialists, administrators and political workers share the concern for improving the city life in general and the lot of the urban poor in particular. They will have to mobilise their resources and skills and invest it in the task of city reconstruction. The urban community development programme will act as a catalyst to generate, release and channelise this vast reservoir of voluntary effort at various levels.

The main aim should be the coordination of all interventions. It is impossible to continue on the way of specific and limited interventions. Situations are to be analysed more accurately and realistically and with more scientific instru-

ments than in the past, thus providing the administrative, executive and field staff with the knowledge and skills needed for operative interventions different from the traditional ones.



CIVIC

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AN

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The forces released through the process of urbanization seem to be swelling up into a mighty tide that threatens to engulf our very existence with little hope of effective control over the negative elements inherent in the process. In part, the negative elements grow in magnitude because of the fact that the pace of urbanization is almost always faster than the measures taken by the administration to mitigate the former. However, a considerably larger part of the negative elements exists and grows ceaselessly because the citizens have very little involvement in maintaining the services that make urban living possible. In most cases, this involvement seems to end by paying municipal taxes, willingly or otherwise. This larger proportion of the negative elements can be effectively curbed by the urban dwellers themselves provided they are conscious of the same and more important, are willing to take action to remedy the situation. Put together, the knowledge about the factors that undermine healthy and satisfying urban living and the existence of willingness in the citizens to take action to combat such factors comprise the hard core of civic consciousness.

Doubtlessly, everyone connected with civic administration and city planning knows the above axiom. It is surprising, however, to note how little effort is put into utilizing this knowledge effectively. It is, perhaps, no exaggeration to say that the most common form in which this knowledge is put to use is to dish out some kind of information to the citizens about their importance in civic affairs. Not uncommonly, such information tends to look more like a sermon or reflects a patronizing attitude that is rarely found palatable by the more intelligent among the urban dwellers. As far as the common man is concerned, such items of information seldom achieve their goal since, besides being too general, they do not effectively communicate to him the importance of how omission or commission of certain

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acts on his part affects adversely not only the city in general but also his own living in particular. One can argue, no doubt, that all these finer points cannot be incorporated in the messages designed to be written on certain obscure display boards or, more often, on sign boards that are placed at the city limits to welcome the people coming to a city. Yet, barring few exceptions, local self-governments do not seem to be doing much beyond displaying such notices and appear to be content to confine the role of their Public Relations Department, if they have one, to providing hand-outs to the press. No doubt, maintenance of liaison with the press is an important function of public relations, but then the press is only one of the various publics that comprise the totality of a city.

Identifying the various publics in a city is, thus, the first job in working out a programme aimed at arousing civic consciousness. This can be done in numerous ways as follows :

1. Publics having a physical or functional relationship with the civic body, for example, persons living within the city limits, tax payers, employees of the civic body, corporators etc.
2. Attitude publics—Citizen groups who may be against the civic body due to some steps already taken or proposed to be taken by the latter; those who are indifferent to its policies; and Those in favour of its policies and actions.
3. Publics in terms of their physical attributes *e.g.* Age, Sex, Educational attainment etc.
4. Knowledge publics—Those who know absolutely nothing about civic affairs; Those who have some inkling, and Those who have a good knowledge and take interest in civic affairs.
5. Socio-economic publics, for example, rich, upper-middle, middle, poor, etc.

The next step consists of working out a suitable public relations programme designed to arouse the curiosity of the citizen about civic affairs, inform him about where he fits in and educate him in the action that is expected of him. This can best be summed up in one sentence thus, "Hey! You! See! So? There!" The intention is obviously to attract the attention of the citizen by making him feel that it is he in particular whose attention is sought, followed by showing him his place in the scheme of things and stressing the need for action whenever the situation so demands.

Keeping in mind the general characteristics of the urban masses in India, there is no disagreement about the utility of audio-visual media, specially films, as being the best for capturing the people's interest and communicating any idea. It is the author's belief that a very effective job can be rendered by the creation of a series of mildly humorous films portraying an urban family whose members indulge in a number of actions or refrain from undertaking certain actions which results in making them and/or their neighbours, friends etc. suffer. It may be in the order of things for the head of such a family to be named Sayane Ram (Mr. Wise) and efforts should be made to create each feature on Mr. Sayane Ram or his family members so that it becomes a byword in every household over a period of time. Obviously, the underlying intention is to create a personality with whom the common man can easily identify.

While it is not possible to dwell at length on the themes that can and ought to be utilized for making such films, it may nevertheless, be useful to indicate some of the more important reasons that seem to motivate the urban dwellers to indulge in certain acts or in avoiding to do something that is necessary. It is my belief that the action or inaction indicated in Table 1, along with the rationale, should provide considerable food for thought to the skilled film producer for making numerous films that reflect the thinking of the common man on civic affairs. Some

**TABLE 1**  
**Motivating Factors for Some Commonly Found Civic Behaviour and its Rationale**

<i>Positive Behaviour</i>	<i>Rationale</i>	<i>Motivating Factor</i>
I/we'll do it because	<p>(a) Others do it.</p> <p>(b) No one will see it.</p> <p>(c) No one will bother to report/check it.</p> <p>(d) The penalty is a mere trifle.</p> <p>(e) The law is full of loop holes.</p> <p>(f) The law enforcement agent can be bought</p> <p>(g) I was overtaxed or taxed wrongly. Let me now teach them a lesson.</p>	<p>Unconscious or conscious imitation of others' behaviour.</p> <p>Conscious behaviour arising out of lethargy and/or belief in the carelessness of fellow citizen or the law enforcement machinery.</p> <p>Inadequate penalty and/or outdated legislation.</p> <p>Outdated legislation.</p> <p>Lack of faith in the morals of the employees of the law enforcement agency.</p> <p>Poor administration of law or redressal or grievances.</p>
<i>Negative Behaviour</i>		
I/we'll not do it because	<p>(a) Others don't bother to do it.</p> <p>(b) Too complicated to do it.</p> <p>(c) Somebody else will do it.</p> <p>(d) Somebody else/civic administration is supposed to do it since we pay for it.</p> <p>(e) We don't pay for it/it doesn't cost us anything.</p> <p>(f) The civic body taxes us heavily. What fun to see it at the loser's end for a change.</p>	<p>Often unconscious or conscious behaviour+lack of knowledge about the implications.</p> <p>Lethargy+ignorance about implications.</p> <p>„ + „</p> <p>Self-righteousness + „</p> <p>„</p> <p>Vindictive attitude arising out of ignorance about civic affairs.</p>

of the most obvious areas which should be covered in this manner consist of sanitation, hygiene, nutrition, adulteration, pollution, traffic control, misuse or wastage of civic amenities etc. As Mr. Sayane Ram grows in popularity, the themes can be extended to cover such areas which show the huge efforts and the cost needed to provide the civic amenities (thus making people realize the importance of each service), the value of co-operative endeavour on the part of the citizens, crime prevention and even town planning. As a matter of fact, such films can and should be made covering all walks of life.

In addition to the above, it is suggested that audio-visual media should also be utilized to portray some of the more drastic consequences that can take place if one ignores the behaviour that is necessary for urban living. For instance, short films can be made that show how the neglect of civic consciousness could lead to sickness, injuries or even death. A very effective impact can be made by filming personal interviews with affected people whose intensity of feelings about the issues involved is bound to leave its mark on the viewers. While sounding harsh, a man displaying his amputated or injured legs or some other part of the body due to the fact that someone left a banana peel on the road side or because someone broke the street lamp or put some refuse or debris on the road or because he himself did not have a light on his cycle is bound to last much longer in the mind of the viewer than a printed sermon or lecture that enjoins the individual in a mechanical manner to do this or avoid doing that. In like manner, films can be made showing people gradually losing their eyesight because of faulty reading habits, lack of vitamin A in their food or working on machinery without adequate protection. One wonders, for instance, if people realize that protein deficiency in early childhood can lead to poor mental development, thus marring the chances of the child to lead a normal and healthy life. It is fully realised that the poor economic

conditions of a large number of people often make it hard for them to even make two ends meet. Under such circumstances, it appears futile to talk of 'balanced diets' to such individuals. Nevertheless, it is also true that if the parents were made aware of the fact that the continued absence of particular kinds of food was detrimental to their child in the long run, it is not unreasonable to expect that they will try to provide such items of food to the extent possible so that the situation does not assume serious proportions.

The strength of the arguments made above rests on the fact that the seamy side of life often registers more easily in the minds of the people than a picture of high sounding ideals that are often heard through one ear and passed out through the other the same instant. How much effective health education could be, for instance, if someone could occasionally help a class of school-going children to look at a drop of contaminated water through a microscope, accompanied by a useful discussion for a short duration wherein the pupils could learn about the sources of contamination and the manner in which it could be avoided? There would be no better way of teaching students about the gigantic efforts needed to maintain civic services than to take them in small batches to places such as the water works, sewage treatment plant, power house, fire-stations, telephone exchanges etc.

The foregoing examples are but a few from amongst the many activities that can be undertaken in order to achieve civic consciousness. It should also be remembered in this context that while the best results can be obtained only by making all-out efforts to cover as much of the population as possible through the various media of communication, it would be necessary to focus greater attention on the younger generation. Whereas a film or a newspaper feature about some aspect of the neglect of civic behaviour and the resultant consequences may fail to register in the mind of an

adult, it is much more likely to be accepted and understood by him if the children in the family insists on following a certain code of conduct. In this regard, it is useful to remember that people need to be told, in as simple a manner as possible, how omission and/or commission on their part can and does lead to more taxes, less services and poorer chances for the development of their neighbourhood and the city. Besides, *they also need to be informed about the expected action in terms of their physical and mental capacities so that they 'can' do it.* As mentioned earlier, there are various ways in which the publics could be divided for the purpose of working out a Public Relations programme to create civic consciousness. Nevertheless, a look at Figure I will show some of the more important publics that usually need to be dealt with by the civic body at one time or another. Each one of these groups has an important role to play in making civic consciousness a reality and any civic body would do well to involve them in this task on a continuing basis.

The civic administration of any city can justifiably hope to arouse civic consciousness by following the suggestions made earlier. In addition, however, it is extremely important on its part to ensure (1) early settlement of complaints and claims, (2) stricter law enforcement, (3) modification of existing laws to make them workable, and (4) the creation of such avenues where the common man could easily learn about the how and why of municipal functioning. It is needless to repeat the importance of these steps since all the efforts directed to involve the people's cooperation in any respect will boomerang if the civic body appears to be plagued by inaction on any of these fronts.

We may now discuss the organization that should implement the programme of creating civic consciousness. In this context, a comment made by Basudev Sharma makes interesting reading. According to him,

"...The idea of public relations is not adequately understood both by

the executive wing and the deliberative wing. The concept of public relations is appreciated but only to a limited context that is in dealing with the Press. Assisting the Press in collecting information is, no doubt, a very important activity but it can not be the 'be all—end all' of the Public Relations Cell. The Press and Information should be properly equipped to disseminate information to the Press and public and to refer the complaints to the concerned authorities for prompt action. It should be an independent entity answerable only to the Chief Executive of the Corporation and should be authorised to collect information etc. on the pattern of the Vigilance Department. The PR job is extremely crucial and needs a total support of the executive and deliberative wings of the Corporation. The present hotch-potch arrangement should be done away with and a unified set-up properly staffed be evolved. It is time, the half-hearted support to the PR activities, based on some half baked concepts and ideas, was transferred to a real reorganization of the Press and Information Office with proper status that it deserves."

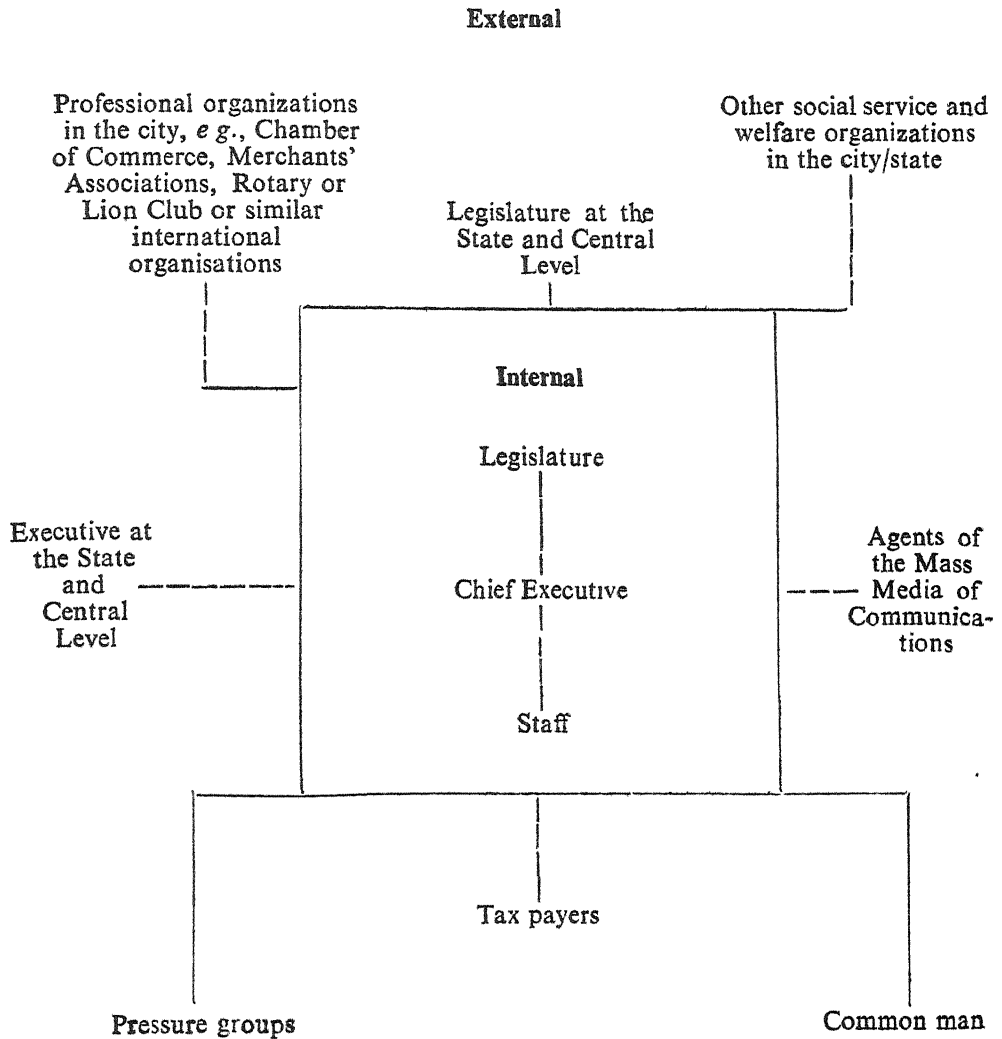
In view of the comment made above and the experience of a number of civic bodies in this regard, it appears to be unwise to suggest that an appropriate department of public relations should function under the civic administration for this purpose unless the latter is willing to undertake a drastic revaluation of its functioning. Besides, if civic consciousness is to be attained through an effective system of public relations, it can only be done if the entire civic administration is willing to revamp its attitude from one of interness and lethargy to that which reflects an eagerness to genuinely help the publics.

A useful alternative would be to have a department of community services or urban community development under the civic administration. The very tenets of



FIGURE 1

SOME IMPORTANT PUBLICS THAT NEED TO BE PARTICULARLY  
ATTENDED TO BY THE CIVIC ADMINISTRATION



specialization demand that this department, whose functionaries operate directly at the level of the people, should be entrusted with the task of creating civic consciousness. The whole approach of this department, however, backfires when the people find their initiative and enthusiasm to be unproductive because other departments of the civic body do not seem to be anxious to tap this newly generated enthusiasm. Under the circumstances, it seems best to think of a separate autonomous organization at the State level having sufficient freedom to conduct its business unhampered by too much of red tape. The composition of such a body should include representatives of the State and the local Governments, educationists, social workers, voluntary welfare organizations of repute and the National Service Scheme machinery in the state. The governing board should have the authority to collect information and look into all such matters that tend to create serious civic problems or where long standing grievances of the citizens have not been looked into. While the recommendations of the board can only be of an advisory nature, the board should have the authority to make public its recommendations if it feels that the local body is not implementing them without justifiable grounds. It would be a definite asset for such a board to have its own film unit and other allied public relations staff which could give appropriate shape to the public relations material that needs

to be prepared for each city in consultation with its local self-government.

In conclusion, it may be said that any expenditure on the creation of civic consciousness is an investment. It should also be realized that there is no magic wand that can create it overnight. It is a long-drawn out process. Like the antibodies in the human body, the citizens of a city can also be helped to prevent anyone from misusing or abusing the city. Nevertheless, they need to be educated in this task and unless a firm start is made in this direction at the earliest possible, our urban future does not appear to be rosy.

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## RECENT JUDICIAL DECISIONS

### *Public Nuisance*

By a ruling given on October 11, 1972, Mr. Ramachandra Raju of the High Court of Andhra Pradesh has held that a Municipality under the Andhra Pradesh Municipality could be prosecuted without obtaining the sanction from the state government, for causing public nuisance. Here, the Civic Association, Karnool, respresented by its Secretary had filed a complaint before the magistrate to punish the Karnool Municipality under Section 290 of the Indian Penal Code for causing public nuisance by systematically neglecting its duty to maintain cleanliness in Karnool town. The municipality raised preliminary objections before the magistrate contending that the sanction of the government was not obtained as provided under section 375 of the A.P. Municipality Act to launch prosecution against the Municipality. It also argued that the corporate body could not be prosecuted.

The magistrate said that having taken the cognizance of the offence once rightly or wrongly, it was not within his competence to dismiss the complaint. He observed that the question of maintainability might be considered after the trial.

The municipality, however, filed a criminal revision petition before the High Court against the order of the magistrate.

The High Court pointed out that Section 375 of the Act required the sanction of the Government before prosecuting the Chairman and members of the Executive Committee, councillors and officers of the municipalities from being harassed unnecessarily alleging commission of offences against them but did not refer to prosecutions against municipality as such.

### *Retirement Age*

A division bench of the Madras High Court has recently held that the Model

Standing Orders framed under the Industrial Employment (Standing Orders) Act, 1946 will not apply to the employees in the electricity department of the Municipal Councils. One of the petitioners was employed in the electricity department of the Coimbatore Municipality. Having attained the age of 55, he was asked to retire as provided under the rules framed under the Municipalities Act, but they put forward the contention that the Standing Order 21 of the Model Standing Orders which prescribed the age of superannuation at 58 applied to them and as such they should not be retired at 55. In support of this, they contended that the electricity department of the municipality was an "industrial establishment" within the meaning of the Industrial Employment (Standing Orders) Act and as such the Act would apply to them. Mr. Justice P.S. Kailasan of the High Court accepted this contention and held that the electricity department of the municipality was an industrial establishment and the Standing Order 21 would apply to the employees of the department. It was also held that the Municipalities Act was a general enactment dealing with the administration of municipalities whereas the Standing Orders Act was a special enactment relating exclusively to the service conditions of persons employed in industrial establishments and the latter being a later Special Act would prevail over the earlier General Act.

On appeal by the Municipality, the division bench consisting of Mr. Justice M.M. Ismail and Mr. Justice K.S. Palamswami reversed this decision on the ground that none of the municipalities generated electricity and so long as there was no work relating to generation, there could not be any "industrial establishment" and as such the Standing Orders Act would not be applicable to the employees. The Court held that the rules

framed by the government under the Municipalities Act mould apply and not the model standing orders.

### *Octroi Tax*

The Supreme Court by its order dated October 13, 1972, has dismissed an appeal by the Municipal Corporation of Jabalpur and upheld the order of the Madhya Pradesh High Court directing the Corporations not to recover certain octroi tax. Mr. Justice Palekar, speaking for the court, held that the Corporation was not entitled to charge a rate in excess of the maximum permitted by the state government on hardware goods.

### *House Tax*

On November 16, 1972, while disposing of a bunch of writ petitions and appeals, a full bench of the Delhi High Court has held that for purposes of assessment of house-tax, the annual value of the premises let out to tenants should not exceed the standard rent of the premises fixed by the Rent Controller and if not so fixed, shall not exceed the agreed rent.

The appeals and the writ petitions were in respect of properties which are situated within the jurisdiction of the Municipal Corporation of Delhi and the New Delhi Municipal Committee. Both the bodies are covered by the provisions of the Rent Control Act, 1958. The annual value had been assessed on the basis of the actual rent being charged in respect of those premises. These assessments had been challenged on the ground that the Corporation or the Committee should not have taken the actual rent as the basis of assessment but should have proceeded to determine the standard rent of these premises in accordance with the provisions of the Delhi Rent Control Act, 1958 and should have taken such standard rent as the basis for assessment. The question that arose for consideration was whether in fixing the annual value of premises, the Corporation and the Committee were bound by the standard rent of the premises which might have been

fixed under the provisions of the aforesaid Rent Control Act and in other cases, to determine the standard rent that might be fixed upon an application made for the purpose and to fix the annual value at or below but not higher than the standard rent so ascertained or determined.

The court ordered the case to be placed before a single judge of the court to decide them individually in the light of the law laid down by the the full bench.

### *Sanction of Building Plans*

A division bench of the Delhi High Court has admitted on August 25, 1972 a writ petition challenging the demand of 'no objection' certificate from the Delhi Development Authority in terms of the lease-deed existing between the petitioners and that body by the Delhi Municipal Corporation before granting sanction of their building plans. The petitioners had earlier filed a writ petition against the Corporation and the DDA challenging the rejection of their building plans. The Corporation had contended that the DDA had suspended building activity in the area and without the production of a "no objection" certificate from that authority the plans could not be sanctioned. It was admitted, however, that the zonal plan for the area had not yet been framed by the DDA. The High Court allowed the writ petition and directed the Corporation to consider the plans on merits. After this decision, the Corporation sanctioned the plans subject to the production of "no objection" certificate from the DDA in terms of the lease deed relating to the plot in question existing between that body and the petitioners. The petitioners contended that it was not open to the Corporation to demand the certificate after the ruling of the High Court and, in any case, it could not demand such certificate under the Delhi Municipal Corporation Act or the building bye-laws.

### *Land Acquisition*

By a judgment delivered in August, 1972, the Supreme Court quashed certain

land acquisition proceedings and the relevant notification issued by the U.P. Government between July 1960 and February 1962 declaring its intention to acquire certain areas in Ghaziabad for "planned development of the areas", on the ground that the notification conveyed "no ideas as to the specific purpose for which the lands were to be utilised", and thereby negated the right given to the owners of the lands under section 5-A of the Land Acquisition Act to raise objections to the acquisition proceedings. The Court was allowing a batch of appeals filed by the aggrieved owners of lands against a judgment of the High Court dismissing their writ petitions challenging the validity of impugned notifications and acquisition proceedings.

The main submission of the appellants was that the impugned notification did not give a full indication of the purpose of the acquisition, the purpose shown was extremely vague and there was no definite scheme before the state government to show how the land would be developed. Therefore they contended that they did not get any effective or reasonable opportunity to raise objections under section 5-A of the Act.

The Court accepted this contention and held that since the notification did not indicate the purpose of acquisition with sufficient clarity, the rights of owners to raise objections were defeated and as such the notifications were bad in law.

### *Resignation of Councillors*

A writ petition seeking a declaration that that seats held by two councillors of the Municipal Corporation of Delhi stood vacated was admitted by a division bench of the High Court on November 29, 1972. The petitioners had stated in the petition that during a meeting of the Standing Committee of the Corporation held on November 16, 1972, the respondents had tendered their resignations from the seats held by them as councillors of the Corporation. They had handed over the letters of resignation to the Deputy Commissioner, who was deputising on behalf of the Commissioner who had delivered the same to the Commissioner on the same day. Under Section 33(1) of the Delhi Municipal Corporation Act, if a councillor resigns his seat by writing under his hand addressed to the Mayor and delivered to the Commissioner, his seat shall thereupon become vacant. According to the petitioners, the Commissioner had erroneously taken the view that as the letters of resignation were not personally delivered to him by the respondents, no effect could be given to them and the seats held by them could not be declared vacant. The petitioners argued that no particular mode of delivery had been specified in the Act and the letters of resignation became effective from the date they were received by the Commissioner. The Court admitted the petition on file and issued notice to the respondents.

## *NEWS FROM THE NATIONAL CENTRE*

The National Centre for Training and Research in Municipal Administration organised a new Course on Laws in Municipal Administration during February 12-24, 1973. The purpose of the course was to familiarise senior municipal officers with the legal aspects of municipal administration and to expose them to the principles underlying municipal laws and other enactments which have a bearing on municipal administration. Twelve participants from different parts of the country attended the course. Originally, the National Centre had planned to hold a Seminar on "Environmental Pollution and Urban Local Authorities" during March 14-15, 1973. For the con-

venience of the participants from the municipal authorities the Seminar dates have now been changed to April 27-28, 1973. This Seminar is expected to deal with the problems of pollution at the city level. Its main purpose will be to identify the role of the municipal authorities in our urban areas in relation to control and prevention of environmental pollution.

The National Centre's training programmes for 1973-74 have now been finalised. It is proposed to offer 8 courses during the coming financial year. The types of courses to be organised are indicated below :

<i>Sl. No.</i>	<i>Courses</i>	<i>Dates</i>
(i)	Course on Valuation and Assessment of Property	April 16-21, 1973
(ii)	Course on Municipal Personnel Administration	May 7-19, 1973
(iii)	Course on Municipal Management	July 9-21, 1973
(iv)	Course on Laws in Municipal Administration	Aug. 6-18, 1973
(v)	Course on Work Study in Municipal Administration	Sept. 10-29, 1973
(vi)	Course on District Development Administration	Oct. 8-20, 1973
(vii)	General Course in Municipal Administration	Nov. 26—Dec. 22, 1973 (For foreign participants to start on November 12, 1973)
(viii)	Course on Municipal Budgeting	Jan. 7-19, 1974

Out of the eight courses listed above six are continuing programmes and two have been newly designed. The two new courses are on Valuation and Assessment of Property and on District

Development Administration respectively. The National Centre is constantly evaluating its training programmes in order to adjust its activities to the felt needs of the municipal authorities. Comments on

the types of courses and their durations will be welcome.

In addition to the training courses, the Centre will be organising two seminars on : (a) Urban Planning and Development Authorities, and (b) Slums Improvement. The dates of these seminars will be announced shortly. It is also pro-

posed to hold seminars in specific regions in order to facilitate on-the-spot discussion of the problems of those areas. Tentatively the subject for the peripatetic seminar has been chosen as "Administrative Problems of Small and Medium Towns". It may be possible to hold a conference on the Municipal training requirements some time during 1973-74.



## BOOK REVIEWS

*SLUM : A STUDY IN URBAN PROBLEM*; BY K. N. VENKATARAYAPPA,  
Sterling Publishers (P) Ltd., New Delhi, 1971, pp. 105, Rs. 15.00.

To a social researcher and social worker, the contents of this book are baffling, frustrating and tedious. This is a study on slums sponsored by the University Grants Commission, which is, as the author describes it, "one of the major problems in urban society". As the things stand, very little is known about our urban condition and slums. In this study, one searches hard for a method—a systematic cogent method that will illuminate the aspects of this deprived area of Mysore city.

The author has taken as samples two slums in Mysore City with a population of 1,275 and has presented figures for certain aspects such as health, housing, economic conditions, social conditions and the like. Nowhere is there any attempt to raise or answer any questions or to link data or explore any sociological theories. There is not even a rigorous attempt to compare the two slums Budabudakanakere and Ashokapura—to describe differences or similarities. However, from a sample of 210 hutments in the former and 215 hutments in the latter—many generalisations have been made indeed! One would like to ask, for example, what is the average family size in these two slums and how is it related to income and other aspects of behaviour? There are no answers to this. On the other hand, the author has dabbled in areas which have no place in a study of this sort. For example, he writes "the slum dwellers spend much over medicine and medical treatment. They are often in ill-health. If food is taken in excess the organs concerned in the metabolic processes have too much work thrown upon them, and if they are able to perform the task, the blood becomes surcharged with exidisable

matter. The task of excreting the excess is undertaken by the kidneys and the amount of work thrown upon them is out of proportion to the physiological necessities, thus resulting in bodily disorders.

One serious issue I take with the author is his value orientation which has influenced this study. If values can be viewed as social preferences *i.e.* it is a preferential mode of orientation of specifying categories of human experience then a group of people living under harsh and de-humanising conditions also develop a culture. The author is too harsh in his judgment such as these: "Laziness is a factor responsible for their misery." Elsewhere he says, "Disorderly family conduct, sex offences are quite common." And there are numerous other statements like this.

I wonder how this book might have been reviewed by the people who almost certainly will never read it: the poor people who live in slums. Do they ever recognise the word 'slum'? This word itself is an imported one. In advanced countries where public services are provided to all as a general rule, areas that have deteriorated are known as 'slums'. In India, this is not the case. These are settlements and I have known it being called *Bustee* in Calcutta, *Katra* and *Jhuggi* in Delhi, *Chawl* in Bombay, *Ahata* in Kanpur, *Gandi Bustee* in Lucknow and *Cheries* in Madras. Such a spelling out is important because Indian deprived areas show marked structural variations. It is the reality of the situations for those who live and work and grow up under these conditions that we are concerned with. The reality is that the poor are neglected. Only by listening to and believing the poor—in his own terms and on



his conditions—can there be a greater understanding.

It would be nice to say that Dr.

Venkatarayappa has made a good beginning. But it is rather late for beginnings.

—INDIRA MAHADEVAN\*

*ESTIMATE OF COST-BENEFIT RELATIONS IN BEGGAR HOMES; COUNCIL FOR SOCIAL DEVELOPMENT, INDIA INTERNATIONAL CENTRE, New Delhi, 1968, pp. 57, Rs. 7.00.*

Cost-benefit analysis is a methodological approach towards economic analysis of public expenditure decisions. It attempts to devise a formal system of rules whereby the economic-cum-social worth of a policy or programme can be judged. It consists of identifying, quantifying and evaluating, so far as may be practicable, all the costs and benefits, direct and indirect, financial or social, of a programme or activity. The publication under review is a report of the research project on "Estimate of Cost-Benefit Relations in Beggar Homes", directed by Shri S. V. Desai for the Council for Social Development, India International Centre, New Delhi, and financed by the Research Programme Committee of the Planning Commission. It is certainly a welcome attempt. It opens up a new field of socio-economic investigation. In this study an attempt has been made to go beyond the facts of the situation regarding beggars and to examine a little more clearly the economics of begging, and its relationship with the official programmes for checking and relieving beggary in large cities. It assesses the social costs and benefits of two beggar homes established at Delhi by the Directorate of Social Welfare of the Delhi Administration, and covers only a small part of the total beggar population of the city. Due to some technical problems and lack of information, the study does not take into account the capital outlays incurred in Beggar Homes and is limited to current expenditure and benefits both negative and positive, resulting from such expenditure.

The analysis made in the study considers the costs and benefits of beggar homes mainly in terms of two objectives: (i) increase in aggregate consumption of society and (ii) a more desirable distribution of aggregate consumption. The study draws data from the records maintained by two beggar homes studied and also by direct interview of their inmates. The basic data regarding number of inmates, the expenditure pattern, the sale of goods produced and the employment of inmates are collected through secondary sources available from the official records. With the help of mathematical framework developed for the analysis and estimation of values of different parameters and variables involved therein, the study tries to find out whether the current costs of beggar homes are socially justified by the benefits arising out of the avoidance of public nuisance and greater security offered to the beggars.

The results of the study are no doubt of a tentative nature, there are, nevertheless, of considerable interest. The study reveals that the net benefit from the beggar homes together varies between Rs. 77.47 to Rs. 18.10 per beggar in 1963-64 and between Rs. 93.83 to Rs. 8.61 per beggar in 1964-65; thus, the current expenditure incurred on each beggar during institutionalisation is more than balanced by the total liability on society if the beggars' were free to beg.

The study is a commendable attempt to evaluate the costs and benefits of social

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welfare programmes, which is largely an academically neglected field. As the Government is spending a significant portion of public funds on such programmes, such studies would be of great help in designing the public expenditure policy in the area of social welfare and evaluating the efficacy of different alternative means by assessing costs and bene-

fits of each. Such studies need encouragement from all quarters. Recently, a number of Chambal Valley dacoits surrendered before the Savodaya leaders and the Government is planning to rehabilitate them. A cost-benefit study of such plans will be very timely and of great use.

—B. N. GUPTA\*



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